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EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
OF THE COUNCIL OF EUROPE
(VENICE COMMISSION)

ALBANIA

JOINT OPINION

**OF THE VENICE COMMISSION
AND THE DIRECTORATE GENERAL OF HUMAN RIGHTS
AND RULE OF LAW (DGI) OF THE COUNCIL OF EUROPE**

ON

THE DRAFT LAW “ON THE FINANCING OF POLITICAL PARTIES”

**Approved by the Council for Democratic Elections at its 87th
meeting (Venice, 11 June 2026)**

**Adopted by the Venice Commission at its 147th Plenary Session
(Venice, 12-13 June 2026)**

On the basis of comments by

Ms Veronika BÍLKOVÁ (Member, Czechia)

Mr Oliver KASK (Substitute member, Estonia)

Mr Saša ZAGORC (Substitute member, Slovenia)

Mr Yves-Marie DOUBLET (Expert, DGI)

Ms Laura STEFAN (Expert, DGI)

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I. Introduction

1. By letter of 27 April 2026, Mr Niko Peleshi, Speaker of the Parliament of the Republic of Albania, requested an opinion of the Venice Commission of the Council of Europe on the Draft Law “On the Financing of Political Parties” ([CDL-REF\(2026\)015](#), hereinafter referred to as “the Draft Law”). This Opinion was prepared jointly with the Directorate General Human Rights and Rule of Law (hereinafter, “DGI”).

2. Ms Veronika Bílková, Mr Oliver Kask and Mr Saša Zagorc acted as rapporteurs for this Opinion. Mr Yves-Marie Doublet and Ms Laura Stefan were appointed as experts for DGI and provided comments on its behalf.

3. On 27-29 May 2026, a delegation of the Commission composed of Mr Oliver Kask, Mr Saša Zagorc and Ms Laura Stefan, accompanied by Mr Michael Janssen from the Secretariat of the Venice Commission, travelled to Tirana and had meetings with the Speaker of the Parliament of Albania, the Minister of Local Governance, with representatives of the Ad hoc Parliamentary Committee on Electoral Reform, the State Supreme Audit, the governing and opposition parties, as well as with some civil society organisations and international organisations represented in Albania. The Commission is grateful to the Albanian authorities and the Council of Europe Office in Tirana for the excellent organisation of the meetings.

4. This Opinion was prepared in reliance on the English translation of the draft law. The translation may not accurately reflect the original version on all points.

5. This Opinion was drafted on the basis of comments by the rapporteurs and the results of the meetings on 27-29 May 2026. It was approved by the Council for Democratic Elections at its 87th meeting on 11 June 2026, and, following an exchange of views with Mr Muharem Çakaj and Mr Viktor Gumi, experts of the Ad Hoc Parliamentary Committee on Electoral Reform, it was adopted by the Venice Commission at its 147th Plenary Session (Venice, 12-13 June 2026).

II. Background and scope of the Opinion

6. The Ad Hoc Parliamentary Committee on Electoral Reform was constituted by the Albanian Parliament on 27 October 2025 with the mandate to advance electoral reforms in line with recommendations issued by the European Union, the OSCE Office for Democratic Institutions and Human Rights (ODIHR) and other international organisations. Composed of 16 members with equal representation from the governing majority and the opposition, and supported by a group of six experts, the Committee is tasked with reviewing and proposing amendments across the electoral framework within a nine-month period (December 2025 – July 2026).¹ Its work plan prioritises key areas including political party financing, election administration, campaign regulation, complaints mechanisms, and other systemic issues, in line with EU-related reform commitments.

7. The Committee’s first output was the Draft Law “On the Financing of Political Parties”, prepared by the expert group and presented to stakeholders through a public event organised by the Committee with the OSCE, civil society organisations and other stakeholders in March 2026. Subsequently a public consultation phase was launched;² at the same time, ODIHR was requested to prepare an urgent opinion on the Draft Law.³ On 6 May 2026, the Committee organised a hearing on the Draft Law with civil society organisations, the Central Election

¹ During the meetings in Tirana, the Venice Commission and DGI were informed that this timeframe was not final and that the Committee could continue its work for as long as necessary to prepare the planned reforms.

² The draft prepared by the Ad hoc Parliamentary Committee was subject to public consultation on its platform from 1 to 15 April 2026, see [PROJEKTLIGJ “PËR FINANCIMIN E PARTIVË POLITIKE” - Platforma e Konsultimit Publik](#).

³ See ODIHR, [Urgent Interim Opinion on the Draft Law of Albania on the Financing of Political Parties](#).

Commission (CEC) and other stakeholders. The expert group has been tasked to reflect the comments received during the consultation process in a revised final version of the Draft Law, which is planned to be shared again with stakeholders and to be made public.

8. The Explanatory Report to the Draft Law places this legislative initiative in the framework of Albania's path towards membership in the EU,⁴ and it refers to the European Commission reports, namely the [2025 Report on Albania](#) and the [2023 Screening report for Albania](#), which stated the need for reform. More precisely, the 2023 Report noted certain remaining shortcomings in the legislative framework for the financing of political parties and election campaigns, in particular: regulations and limits on donations and expenditures needed to be extended to third parties; contestants remained to be required to disclose their campaign incomes and expenditures before the day of election; and CEC capacities to ensure proper monitoring of parties' finances remained to be consolidated to contribute to greater scrutiny, including to a more rigorous audit regime. The 2025 Report stated that the current legal framework regarding political party financing lacked effectiveness due to the lack of a ceiling for candidate expenditure and the lack of clear regulation on advertising.

9. According to the Explanatory Report, the Draft Law is intended to establish a new and comprehensive legal framework for the financing, administration, control, reporting and transparency of the income and expenditure of political parties during the calendar year and outside the election campaign. It is meant to address the gaps, weaknesses and challenges that have characterised the existing legal framework and its implementation in practice. The Draft Law is intended to replace and further develop the regulations on party financing currently contained in the Law on Political Parties,⁵ while the financing of election campaigns will continue to be regulated in the Electoral Code.⁶ The Venice Commission and DGI note that some of the above-mentioned concerns expressed by the European Commission are related to election campaign financing and will therefore need to be addressed through amendments to the Electoral Code (and possibly secondary legislation and measures for implementation in practice of the legal framework).

10. The Explanatory Report further states that the Draft Law is aimed at increasing public transparency and access to financial information (including by imposing publication obligations on political parties and establishing a dedicated electronic platform within the CEC); at strengthening integrity in the financing of political parties (by establishing strict limitations on permissible funding sources); at enhancing equality in political competition (with a detailed formula for the allocation of public funds, and a specific grant aimed at promoting gender equality and increasing youth representation); at modernising the financial management of political parties (*inter alia*, by establishing the obligation to use bank accounts for most transactions and limiting the use of cash); and at strengthening internal and external control (including by requiring political parties to establish internal mechanisms for financial control, amending the regulations on mandatory audit of the parties and expanding the powers of the CEC for external control).

11. During the public consultation and hearings, several civil society organisations, the CEC and other stakeholders welcomed the legislative initiative but considered it incomplete and made several recommendations for further improvement of the Draft Law. Some expressed overarching concerns about the speed of the legislative process; about possible inconsistencies with the Electoral Code and the question of whether the latter should be amended simultaneously; the lack of precision in certain terms and provisions and the question of whether too much detail is left to subsequent secondary legislation; certain

⁴ Albania has been an official candidate country for membership in the European Union since 2014. On 25 March 2020, the Council of the EU decided to open accession negotiations with Albania.

⁵ Law No. 8580 on Political Parties of 17 February 2000 (later amended), Articles 15/1 ff.

⁶ [Electoral Code](#) of Albania of 29 December 2008 (later amended), Articles 86ff.

provisions that remain essentially declaratory without effective enforcement mechanisms; the fact that external financial control remained the sole responsibility of the CEC, which had lacked effectiveness in the past.

12. Given that the scope of this Opinion only covers the Draft Law “On the Financing of Political Parties”, it does not constitute a full and comprehensive review of the entire legal and institutional framework regulating political parties and political financing in Albania. The absence of comments on certain provisions of the draft law should not be interpreted as an endorsement of these provisions. The Opinion addresses key issues and indicates main areas of concern. In the interest of conciseness, and in order to offer a useful contribution to the law-making process, it focuses more on areas which would benefit from further amendments rather than on positive aspects of the Draft Law.

III. International and national legal framework

A. International standards relating to political parties and their funding

13. International standards relating to political parties are found principally in Article 22 of the [International Covenant on Civil and Political Rights \(ICCPR\)](#) and Article 11 of the [European Convention on Human Rights \(ECHR\)](#), which both protect the right to freedom of association. The right to freedom of opinion and expression enshrined in Article 10 of the ECHR and Article 19 of the ICCPR and the right to free elections guaranteed by Article 3 of the First Protocol to the ECHR and by Article 25 of the ICCPR are also of relevance. Lastly, the transparency of political party funding (and campaign funding) is covered more specifically in Article 7, paragraph 3, of the [United Nations Convention against Corruption](#).⁷

14. In addition, standards in this area can be found in the recommendations of the UN, the Council of Europe and the OSCE. These include [General Comment 25 of the UN Human Rights Committee](#) on the right to participate in public affairs, voting rights and the right of equal access to public service; Council of Europe Committee of Ministers’ [Recommendation \(2003\)4](#) on Common Rules Against Corruption in the Funding of Political Parties and Electoral Campaigns (hereafter: Rec(2003)4); the Venice Commission and OSCE/ODIHR Joint Guidelines on Political Party Regulation (hereafter: *Joint Guidelines*),⁸ Joint Guidelines on Freedom of Association,⁹ Joint Guidelines for Preventing and Responding to the Misuse of Administrative Resources during Electoral Processes;¹⁰ as well as the Venice Commission’s Code of Good Practice in the field of Political Parties¹¹ and Code of Good Practice in Electoral Matters.¹² In the present Joint Opinion, reference is also made to relevant previous Opinions of the Venice Commission and to Evaluation Reports of the Council of Europe’s Group of States against Corruption (GRECO).¹³

15. At the outset, the Venice Commission and DGI recall that political parties are associations and as such they – and their members – enjoy freedom of association as defined by Article 11

⁷ See also relevant Resolutions of the Conference of the States Parties to the UNCAC (CoSP), including the [2025 Resolution 11/7](#) on “Preventing and combating corruption through enhancing transparency in the funding of political parties, candidatures for elected public office and electoral campaigns”.

⁸ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition.

⁹ Venice Commission and OSCE/ODIHR, [CDL-AD\(2014\)046](#), Joint Guidelines of the on Freedom of Association (2015).

¹⁰ Venice Commission and OSCE/ODIHR, [CDL-AD\(2016\)004](#), Joint Guidelines for Preventing and Responding to the Misuse of Administrative Resources during Electoral Processes.

¹¹ Venice Commission, [CDL-AD\(2009\)002](#), Code of Good Practice in the field of Political Parties.

¹² Venice Commission, [CDL-AD\(2002\)023rev2-cor](#), Code of good practice in electoral matters.

¹³ GRECO has dealt with the evaluation theme of “Transparency of party funding” in its [Third Round Evaluation Reports](#).

of the ECHR¹⁴ and other international human rights treaties. In accordance with Article 11 of the ECHR, the freedom of association may only be restricted by law, for one of the listed purposes and to the extent “necessary in a democratic society”. Pursuant to Principle 7 of the Joint Guidelines on Freedom of Association, “associations shall have the freedom to seek, receive and use financial, material and human resources ...” However, this freedom is subject, *inter alia*, to requirements “concerning transparency and the funding of elections and political parties, to the extent that these requirements are themselves consistent with international human rights standards.”

16. In Rec(2003)4, the Council of Europe Committee of Ministers calls upon member States to, *inter alia*, ensure transparency and independent monitoring in respect of the funding of political parties and electoral campaigns, as well as enforcement of the rules through effective, proportionate and dissuasive sanctions. Likewise, the Council of Europe Parliamentary Assembly in its [Recommendation 1516 \(2001\)](#) on Financing of Political Parties underlines the need for complete transparency of accounts, the establishment of an independent audit authority and meaningful sanctions for those who violate the rules. The importance of transparency in the funding of political parties and electoral campaigns is also stressed in Article 7, paragraph 3 of the UN Convention against Corruption, the Venice Commission Guidelines and Report on the Financing of Political Parties,¹⁵ the Code of Good Practice in Electoral Matters,¹⁶ the Code of Good Practice in the field of Political Parties¹⁷ and in previous Opinions of the Venice Commission.¹⁸ According to the *Joint Guidelines*, “the regulation of political party funding is essential to guarantee parties’ independence from undue influence created by donors, as well as State and public bodies, to ensure that parties have the opportunity to compete in accordance with the principle of equal opportunity, and to provide for transparency in political financing.”¹⁹ Transparency in party and campaign finance “is important to protect the rights of voters, prevent corruption and keep the wider public informed. Voters must have relevant information as to the financial support given to political parties, as this influences decision making and is a means of holding parties accountable.”²⁰

B. Domestic legal framework

17. The Albanian legal order accords an important status to international law. Article 5 of the [Constitution](#) provides that the Republic of Albania applies international law that is binding upon it. Pursuant to Article 122 of the Constitution, ratified international agreements become part of the internal legal system after publication in the Official Journal and prevail over conflicting domestic legislation. International human rights standards and the case-law of the European Court of Human Rights therefore constitute important interpretative tools for assessing the compatibility of legislation concerning political party financing with democratic and rule of law requirements.

¹⁴ See the judgment of the European Court of Human Rights in the case of *United Communist Party of Turkey and Others v. Turkey*, application no. 19392/92, 30 January 1998.

¹⁵ See guidelines 5, 7 and 12.

¹⁶ See paras 108ff.

¹⁷ See para. 38.

¹⁸ See e.g. Venice Commission and ODIHR, [CDL-AD\(2023\)007](#), Azerbaijan - Joint opinion on the Law on Political Parties, para. 12; Venice Commission and ODIHR, [CDL-AD\(2022\)013](#), Mongolia - Joint Opinion on the Draft Law on Political Parties, para. 102; Venice Commission and ODIHR, [CDL-AD\(2021\)003](#), Ukraine – Joint Opinion on the draft law on political parties, paras 20f.; Venice Commission, [CDL-AD\(2018\)025](#), Tunisia - Opinion on the draft organic law on the organisation of political parties and their financing, paras 7f.; Venice Commission, [CDL-AD\(2018\)016](#), Kosovo - Opinion on the “draft law on amending and supplementing the Law no. 03/l-174 on the Financing of Political Entities (amended and supplemented by the Law no. 04/l-058 and the Law no. 04/l-122) and the Law no. 003/l-073 on General Elections (amended and supplemented by the Law no. 03/l-256)”, paras 17f.; Venice Commission and ODIHR, [CDL-AD\(2017\)027](#), Joint Opinion on the legal framework of the Republic of Moldova governing the funding of political parties and electoral campaigns, paras 19f.

¹⁹ See Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 204.

²⁰ *Ibid.*, para. 247.

18. The constitutional basis for the legal framework applicable to political parties is provided by Article 9 of the Constitution:

- 1. Political parties are created freely. Their organisation shall conform with democratic principles.*
- 2. Political parties and other organisations, the programmes and activity of which are based on totalitarian methods, which incite and support racial, religious, regional or ethnic hatred, which use violence to take power or influence State policy, as well as those with a secret character, are prohibited pursuant to the law.*
- 3. The sources of financing of parties as well as their expenses are always made public.*

19. The operation of political parties, their financing and the conduct of electoral campaigns in Albania are currently regulated primarily by the 2000 Law on Political Parties and the 2008 Electoral Code; both acts have been amended on several occasions. The Law on Political Parties contains provisions on the financial and material resources of political parties, including rules governing public and private funding, donations, reporting obligations, transparency requirements, and oversight mechanisms. The Electoral Code regulates campaign financing during electoral periods, the role and competences of the Central Election Commission (CEC), financial control procedures, and complaints and sanctions relating to electoral activities.

C. Previous assessments of the legal framework

20. The constitutional and legislative framework of Albania has previously been the subject of several international assessments concerning political party financing and electoral integrity. In particular, ODIHR repeatedly recommended strengthening transparency and oversight of campaign financing, including through timely reporting of campaign income and expenditure, publication of preliminary campaign finance reports, clearer regulation of campaign activities and expenses, and more effective sanctions against misuse of public resources and vote-buying.²¹ Furthermore, the coexistence of the two legal frameworks (Law on Political Parties and Electoral Code) has given rise to concerns regarding inconsistencies, regulatory gaps, overlapping competences, and the overall coherence and effectiveness of the political finance system, particularly with respect to campaign expenditures, third-party financing, and enforcement mechanisms.

21. The Venice Commission has in the past adopted several opinions in the electoral field.²² The Council of Europe's Group of States against Corruption (GRECO) addressed the transparency of party funding in Albania in the framework of its Third Evaluation Round; in its Second Compliance Report of 2013, it considered that Albania had implemented its recommendations aimed at strengthening transparency and oversight of political party and campaign financing by requiring disclosure of donations and donors, banning anonymous donations, introducing detailed audited party accounts, ensuring independent monitoring by the CEC, and establishing effective sanctions for violations.²³ More recent reports of the Parliamentary Assembly of the Council of Europe (PACE) have highlighted shortcomings

²¹ [ODIHR Election Observation Mission Final Report](#), Albania, *Parliamentary Elections*, 23 June 2013, pages 16–18; [ODIHR Election Observation Mission Final Report](#), Albania, *Parliamentary Elections*, 25 April 2021, pages 17–21; [ODIHR Election Observation Mission Final Report](#), Albania, *Local Elections*, 14 May 2023, pages 14–18; [ODIHR Election Observation Mission Final Report](#), Albania, *Parliamentary Elections*, 11 May 2025, pages 31–34.

²² See e.g., most recently, Venice Commission, [CDL-AD\(2020\)036](#), Albania – Joint Opinion of the Venice Commission and the OSCE/ODIHR on the amendments to the Constitution of 30 July 2020 and to the Electoral Code of 5 October 2020. This and other previous Opinions did not focus on political financing.

²³ See the relevant [GRECO reports on Albania](#).

relating to campaign financing, transparency, misuse of administrative resources, and oversight capacities.²⁴

22. On 25 March 2020, the Council of the EU decided to open accession negotiations with Albania and stressed that, prior to the first intergovernmental conference, Albania should, *inter alia*, ensure transparent financing of political parties and electoral campaigns.²⁵

23. The present Draft Law has been assessed by ODIHR, which issued an Urgent Interim Opinion on 30 April 2026.²⁶ ODIHR welcomed the objective of consolidating and further developing the regulation of political party financing in Albania and positively assessed several innovations introduced by the draft law, including enhanced transparency obligations, stricter limitations on funding sources and cash transactions, strengthened audit mechanisms, and expanded oversight powers of the CEC. At the same time, ODIHR identified a number of concerns relating to legal certainty, possible inconsistencies with the Electoral Code, insufficient regulation of third-party financing and loans, the scope of sanctions, and the institutional capacity of the CEC to ensure effective implementation and oversight of the regulation.

IV. Analysis

A. Procedural aspects

24. From the outset, the Venice Commission and DGI wish to stress that legislation on such a sensitive matter as political financing needs to be carefully prepared in an open and transparent process. The Venice Commission's Updated Rule of Law Checklist,²⁷ together with the Commission's Report on the Role of the opposition in a democratic Parliament,²⁸ provides useful guidance for transparent, accountable, inclusive and democratic law-making procedures, including public debate of proposed legislation by Parliament and adequate justification (e.g. by explanatory reports), public access to draft legislation, at least when it is submitted to Parliament, a meaningful opportunity for the public to provide input, and where appropriate, impact assessments before adopting legislation (e.g. on the human rights and budgetary impact of laws). Moreover, in its checklist related to the Relationship between the Parliamentary Majority and the Opposition in a Democracy, the Venice Commission stressed that "complex and controversial bills would normally require particularly long advance notice, and should be preceded by pre-drafts, on which some kind of (internet-) consultation takes place. The public should have a meaningful opportunity to provide input [...]. Allocation of additional time for public consultations increases the ability of the opposition to influence the content of the legislative proposals by the Government or the majority. The majority should not manipulate the procedure in order to avoid such public consultations".²⁹

²⁴ PACE, [Observation of the parliamentary elections in Albania \(11 May 2025\)](#); PACE, The honouring of obligations and commitments by Albania, [Resolution 2544 \(2024\)](#); see also PACE Monitoring Committee, The honouring of obligations and commitments by Albania, [Report Doc. 15950, 2024](#).

²⁵ Council of the European Union, Council Conclusions on Enlargement and Stabilisation and Association Process – Albania and the Republic of North Macedonia, [ST 7002/20](#), 25 March 2020, page 5. See also the European Commission's [2025 Report on Albania](#) and [2023 Screening report for Albania](#) referred to in the Explanatory Report to the Draft Law; cf. the preceding section of the present Opinion, "Background and scope of the Opinion".

²⁶ See ODIHR, [Urgent Interim Opinion on the Draft Law of Albania on the Financing of Political Parties](#), in particular pages 2–5 and paras. 17–20, 82–118.

²⁷ Venice Commission, [CDL-AD\(2025\)002](#), The Updated Rule of Law Checklist.

²⁸ Venice Commission, Report on the Role of the opposition in a democratic Parliament, [CDL-AD\(2010\)025](#), paras 106 - 115.

²⁹ Venice Commission, [CDL-AD\(2019\)015](#), Parameters on the Relationship between the Parliamentary Majority and the Opposition in a Democracy: a checklist, para 74.

25. Against this background, the Venice Commission and DGI welcome the fact that the Speaker of the Albanian Parliament submitted the Draft Law to them for consideration at a relatively early stage, before presenting it to the plenary assembly of Parliament, and that the draft has been prepared in an inclusive process, which involved majority and opposition parties and included public consultation and hearings with civil society organisations and other stakeholders. While the public consultation process of 15 days³⁰ on such an important, new and politically sensitive piece of legislation – which was considered by many stakeholders as insufficiently responsive to, *inter alia*, hidden financing and oversight capacity – appears quite short, the Venice Commission and DGI were informed that relevant stakeholders were involved in the process over a longer period of time. That said, during the meetings in Tirana, some civil society organisations stated that their substantive comments on the Draft Law had only been addressed to a very limited extent, and they would have been keen on obtaining explanations by the drafters of the law. The Venice Commission and the DGI recommend that further meaningful consultations on a revised draft be conducted before the law is adopted, taking into account the comments of various national and international observers – including those in this Opinion. These consultations should involve various political parties, relevant State institutions and civil society organisations, and provide explanations of the amended draft. The authorities indicated that it was planned to have the law adopted by end of July 2026; even though the timeframe for finalising the draft is therefore rather short, it must be stressed that the quality and inclusiveness of the legislative process is relevant to the legitimacy of electoral and party legislation.

B. Substantive aspects

1. CHAPTER I: GENERAL PROVISIONS

26. Paragraph 1 of Draft Article 1 which defines the subject matter and purpose of the law states: “This law regulates the manner and conditions of financing, administration, transparency, reporting, and oversight of the income and expenditures of political parties in the Republic of Albania.” The current text could be supplemented by adding the phrase “as well as the sanctioning regime and the accountability of political parties”, as the Draft Law aims to strengthen the sanctioning regime in cases of non-compliance or breaches.

27. According to Draft Article 1(2), the Draft Law “is intended to ensure the legality, transparency, and conformity of the financial activities of political parties with the system of parliamentary democracy.” Given that most of the draft provisions do not only apply to parliamentary parties but to political parties in general, it appears more coherent to refer more broadly to “democracy” instead of “parliamentary democracy”. In this connection, it could be useful to also reflect the provision of Article 3(1) of the Law on Political Parties, according to which “Albanian political parties are part of a free and democratic system of governance in the country.” Furthermore, it is suggested to also refer to the prevention of corruption or undue influence, which constitute central objectives of political finance regulation.

28. Draft Article 2 includes definitions of several key terms used in the Draft Law.³¹ In the view of the Venice Commission and DGI, the definition of “anonymous donor” is unclear and should be revised. It should refer broadly to both natural and legal persons, without making a separate reference to “any Albanian citizens,” as they are encompassed within the term “natural persons.” Additionally, the phrase “full identity” is vague and should be further clarified by specifying which elements of a donor’s identity must be disclosed.

³⁰ The draft prepared by the Ad hoc Parliamentary Committee was subject to public consultation on its platform from 1 to 15 April 2026, see [PROJEKTLIGJ « PËR FINANCIMIN E PARTIVE POLITIKE » - Platforma e Konsultimit Publik](#).

³¹ Draft Article 2 – Definitions:

“In this law, the following words and expressions shall have the following meanings:

29. Article 2(5) of the Draft Law states that “political party” means any political party officially registered by the competent authority and seeking to influence the affairs of the country through participation in elections and representation in elected bodies of government.” On the other hand, Article 1 of the Law on Political Parties defines political parties as “voluntary associations of citizens based on ideas, beliefs, views or shared political interests, who aim to influence the life of the country through participation in elections and representation of the people in elected bodies of power.” The definition of a “political party” thus differs from that included in Article 1 of the Law on Political Parties. The Venice Commission and DGI recommend using the same definition in both legal acts. In addition, it would be clearer if the reference to the “competent authority” for party registration be replaced by explicitly mentioning the authority or cross-referencing the relevant legal provision.

30. “Income” is defined in Article 2(9) of the Draft Law as follows:

“9. ‘Income’ means any monetary amount received by a political party from natural persons or legal persons, membership fees, the State Budget, and any other lawful source under this law. Income also includes gifts, subsidies, or any other type of benefit granted to a political party, whether in cash or in kind, including the payment of the political party’s debts, and benefits derived from property, loans, services, and facilities made available for the political party’s use. Services voluntarily provided to a political party by individuals, through the contribution of their time and without remuneration, shall not be considered income. A donation shall also include the acceptance by a political party of a service or of monetary or material value at less than its fair market value; the valuation and reporting thereof shall be governed by secondary legislation adopted by the CEC on the basis of data from state institutions or an independent expert assessment.”

This definition thus refers to “monetary amounts received by a party from the State Budget”. It should be clarified whether the concept of “income” also captures other possible public funding sources; it is not clear whether the general clause of “any other lawful source under this law” in Draft Article 2(9) is intended to include such possible public sources.³² Similarly,

1. “Anonymous donor” means any Albanian citizen, natural person, or legal person who gives a sum of money or an in-kind donation without disclosing their full identity or without being recorded in the registers of the political party.

2. “Public fund” means financial support for the financing of political parties provided from the Budget of the Republic of Albania.

3. The “CEC” means the Central Election Commission.

4. “Membership fee” means a fixed sum of money paid monthly or annually for membership in a political party.

5. “Political party” means any political party officially registered by the competent authority and seeking to influence the affairs of the country through participation in elections and representation in elected bodies of government.

6. “Parliamentary party” means a political party that has won at least one seat in the Assembly according to the results of the most recent general elections

7. “Foreign natural persons” means individuals who do not hold Albanian citizenship.

8. “Expenditures” means all expenses and payments made by a political party for goods and services in accordance with the legislation in force.

9. “Income” means any monetary amount received by a political party from natural persons or legal persons, membership fees, the State Budget, and any other lawful source under this law. Income also includes gifts, subsidies, or any other type of benefit granted to a political party, whether in cash or in kind, including the payment of the political party’s debts, and benefits derived from property, loans, services, and facilities made available for the political party’s use. Services voluntarily provided to a political party by individuals, through the contribution of their time and without remuneration, shall not be considered income. A donation shall also include the acceptance by a political party of a service or of monetary or material value at less than its fair market value; the valuation and reporting thereof shall be governed by secondary legislation adopted by the CEC on the basis of data from state institutions or an independent expert assessment.”

³² Draft Article 5(2) admits the existence of “public resources” that are different from “State resources”.

Draft Article 6 on party funding sources³³ only refers to funding from the State Budget, while also capturing “other income lawfully generated by the party in accordance with the legislation in force”. Draft Article 7, which includes a precise list of prohibited funding sources,³⁴ does not include a general prohibition of public funding other than from the State Budget. The Venice Commission and DGI therefore recommend clarifying if political parties can access public resources solely through the mechanism defined in Draft Articles 2 and 11 (i.e. from the State Budget), or if political parties can also receive other types of public resources, for example those administered by local government units or State-owned enterprises. This provision should also be read jointly with Article 91 (especially point 2) of the Electoral Code on “Prohibition on the use of public sources to support electoral subjects”,³⁵ for clarification, a cross-reference to this provision could be brought where the State Budget, the State or public resources are mentioned in the Draft Law.

³³ Draft Article 6 – Financial and material resources:

“The financial and material resources of political parties shall comprise:

- a) membership fees;
- b) donations in cash, in kind, or in the form of services;
- c) funding from the State Budget;
- ç) loans or credits obtained in accordance with the law;
- d) other income lawfully generated by the party in accordance with the legislation in force.”

³⁴ Draft Article 7 – Prohibition of financial and material assistance:

“1. Political parties shall be prohibited from receiving financial or material assistance from:

- a) foreign governmental or non-governmental institutions, whether provided directly or indirectly, including through individuals, foundations, or other entities affiliated with them;
- b) foreign legal persons, including where they have established branches or representative offices in the Republic of Albania;
- c) foreign natural persons, including where they are partners or shareholders in commercial companies established in Albania,
- ç) anonymous donors;
- d) legal persons that are strategic investors or that carry out activities in the fields of gambling, casinos, or cryptocurrencies;
- dh) domestic public entities and commercial companies, including companies with state capital participation.
- e) legal persons that have concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship.
- ë) legal persons where the partner or shareholder holding more than half of the capital shares has benefited, whether directly or through other companies, from concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship;
- f) non-governmental organisations, humanitarian organisations, religious communities and organizations, and trade union organisations;
- g) natural or legal persons who are debtors to institutions of the Republic of Albania and against whom compulsory enforcement proceedings have been initiated by the bailiff service;
- gj) youth organizations, foundations, institutes, or similar bodies established by political parties, linked to political parties, or carrying out functional activities for political parties.
- h) citizens convicted of criminal offences in the fields of corruption, money laundering, organized crime, trafficking in narcotic substances, or electoral offences.

[2. ...]”

³⁵ Article 91 of the Electoral Code - Prohibition on the use of public resources to support electoral subjects:

“1. Except when otherwise provided by law, resources of central or local public bodies or entities, or of any other type of entity in which the state holds capital or shares or/and appoints the majority of the supervisory or administrative body of the entity, regardless of the source of the capital or ownership, may not be used or made available to support candidates, political parties, or coalitions in elections.

2. For purposes of this Article, “resources” shall mean movable and immovable assets provided for in Article 142 of the Civil Code, as well as any human resources of the institution. Use of “human resources” shall mean the obligatory use for electoral purposes of the institution’s administration within the working hours, as well as the obligatory and organised use of students of the pre-university system within the school hours, in the electoral campaign. Use of human resources shall also include promises or provision of benefits to public employees or students to participate in election campaign-related activities outside working or school hours, as well as pressure exercised on them for this purpose.

[...]

5. The CEC shall issue detailed guidelines to specify the use and misuse of public resources.”

31. The Venice Commission and DGI further recommend defining or regulating more clearly the concepts of donation, in-kind contribution, loan, entity linked to or controlled by a political party, third parties, political communication expenditure and digital political advertising. Without precise definitions, the CEC and the courts could have difficulties in applying the law uniformly. "Donations" are referred to in the definition of "income" and included in the list of permissible party funding sources, see Draft Article 6 (item b): "donations in cash, in kind, or in the form of services"; it would be advisable to include precise definitions of donations and in-kind donations in Draft Article 2. As far as loans are concerned, which are included in the definition of "income" in Draft Article 2 without further specification, it should be noted that Draft Article 6ç) refers to "loans or credits obtained in accordance with the law" as a permissible funding source; during the meetings in Tirana, it was explained that this concept had traditionally been understood as referring to credits provided by financial institutions only, but this should be clarified in the law. The concept of "entities linked to or controlled by a political party" should also be defined, as this concept is referred to in the Draft Law, see Draft Article 13(2) (item c): "2. The Annual Financing Report shall contain detailed information on: [...] c) entities directly or indirectly linked to political parties, or controlled by them, as declared by the political party itself." Third parties are mentioned, but not defined, in Draft Article 8(1): "Political parties, whether acting directly or through third parties, shall be prohibited from establishing commercial or non-commercial legal persons engaged in activities for profit." The terms "political communication expenditure" and "digital political advertising" are not used in the Draft Law, but in the opinion of the Venice Commission and DGI political parties should be required to report on such expenses, and those concepts should be defined in the law. Regulation (EU) 2024/900 on the transparency and targeting of political advertising sets out, among other things, a definition of political advertising and establishes record-keeping and disclosure obligations on providers of political advertising, which are also relevant in the context of the funding of political parties. While this Regulation cannot be applied directly as in an EU Member State, Albania could consider mirroring such requirements and achieve substantive alignment in this process.

32. As highlighted during the meetings in Tirana, and also during the public consultation process, significant parts of Albanian economic and social activity continue to operate through cash transactions and other informal mechanisms less susceptible to formal oversight. In this context, the Draft Law does not sufficiently address hidden political financing or establish effective preventive and monitoring mechanisms tailored to the Albanian environment.

33. Furthermore, the Draft Law lacks a comprehensive framework regulating entities affiliated with or controlled by parties as well as third parties that campaign in support of, or against, political parties without being formally affiliated with them. In this connection, attention is drawn to Article 6 of Rec(2003)4, according to which rules governing donations to political parties should also apply, as appropriate, to all entities directly or indirectly connected to, or controlled by, political parties. Furthermore, The Joint Guidelines recommend that States regulate third-party spending capable of circumventing political finance rules and treat such spending as functionally equivalent to party expenditure beyond specified thresholds.³⁶ In the absence of such regulation, otherwise comprehensive donation and expenditure limits may easily be circumvented through the channelling of funds via civil society organisations, think tanks, or media entities.

34. The Venice Commission and DGI note that the Draft Law essentially addresses the direct financing of political parties. Yet modern risks of party financing often arise through indirect channels: entities affiliated with or controlled by parties, third-party actors, communication agencies, digital platforms, sponsored content, coordinated online activity, loans, debt forgiveness, in-kind services or public resources. The Draft Law touches on some of these

³⁶ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 220.

matters but does not regulate them fully and coherently: Draft Article 8 prohibits parties from establishing commercial or non-commercial legal persons engaged in activities for profit, directly or through third parties; Draft Article 13(2)(c) requires the annual report to include entities directly or indirectly linked to political parties, or controlled by them, as declared by the party itself; and Draft Article 19 gives the CEC power to examine documentation concerning entities linked to or controlled by parties. At the same time, the Draft Law neither defines linked or controlled entities nor does it foresee detailed reporting obligations for such entities. A party finance system cannot be effective if political finance can be moved to a foundation, association or informal campaign organisation that acts for the party or in coordination with it. A clear understanding of which organisations are to be regarded as entities affiliated with or controlled by political parties is important to ensure equal treatment under the law and predictability for political parties and other organisations seeking to influence policy. The Venice Commission and DGI recommend regulating this matter more comprehensively.

35. Draft Article 3(1) includes the concept of “public integrity” in the list of “General principles”: “The financing of political parties shall be governed by the principles of legality, transparency, accountability, and public integrity.” The meaning of the term “public” in this context is not clear. If it is meant to refer to public institutions, it appears too restrictive, as the Draft Law is also addressed to different private actors (such as donors, and parties themselves). It would be clearer and prevent any possible misunderstandings to simply refer to “integrity” in this provision.

36. Draft Article 3(2) states: “Data on the financial and material resources of political parties and their expenditures shall at all times be public.” It would be advisable to insert a reference to the protection of personal data, similarly as it was done in para. 4 which states: “The monitoring, oversight, and publication of financial data shall be carried out in accordance with the principle of proportionality and with the protection of personal data, in compliance with the legislation in force.” With regard to both paras 2 and 4, the Venice Commission and DGI recommend clearly specifying which personal data may be published and under what circumstances. For example, donations exceeding a certain threshold could be subject to more extensive transparency requirements in compliance with international standards.³⁷ While it is acceptable to introduce provisions mandating the publication of personal data of individuals who donate to political parties, such rules should be embedded in primary legislation. In this context, attention is drawn to the General Data Protection Regulation ([GDPR](#)) which permits the disclosure of personal data where there is a substantial public interest, which can apply to the transparency of political financing, without requiring the consent of the individual concerned. However, to rely on this exemption, the State must demonstrate that the processing of such data is necessary to achieve the intended public policy objective and that the principle of data minimisation is respected.

37. Draft Article 4 defines the purposes for which party resources may be used and expressly prohibits their use for personal benefit:

“1. The financial and material resources of a political party shall be used for the following purposes:

- a) financing the political party’s regular activities;
- b) financing the political party’s branches;
- c) financing the relevant women’s and youth organisational units of the political party;
- ç) financing the political party’s annual and electoral activities;
- d) financing the activities of parliamentary groups.
- dh) any other activity, including activity in public and/or social media, that promotes the programme, activities, and objectives of the political party.

2. The financial and material resources of a political party shall not be used for personal benefit.”

³⁷ See [Rec\(2003\)4](#), Article 3b).

The Venice Commission and DGI are of the opinion that some clarifications are necessary. Draft Article 4 refers, *inter alia*, to “regular activities” (item a) and “annual activities” (item ç). It is not clear whether these are different concepts; their meaning should be clarified in the Draft Law. Item ç also refers to “electoral activities”. In this respect, the drafters should determine whether to incorporate cross-references to the existing legal framework or to include specific provisions on electoral financing within the current Draft Law. In the opinion of the Venice Commission and DGI, the preferable approach would be to introduce an explicit cross-reference to the Electoral Code.

38. In any case, the reference to “electoral activities” in Draft Article 4(1) (item ç) must be considered in light of the provisions of the Electoral Code, such as the ceiling for parties’ electoral expenses established by Article 92/2(4) of the Code, which states: “[...] 4. The total expenditures made by an electoral subject, including its candidates, for an electoral campaign must not exceed 3 times the highest amount that an electoral subject has received from public funds for electoral purposes, in accordance with Article 88 of this Law. Any electoral campaign expenditure shall be documented and implemented in compliance with the effective fiscal legislation. For the purpose of this Law, “campaign expenditure” shall mean any expenditure made by a party or its candidates for electoral campaign purposes, regardless of the date it is made. [...]”. In this respect, ODIHR has repeatedly emphasised the need to introduce third-party regulations – as well as a ceiling for candidates’ campaign expenses – to ensure the effectiveness of this ceiling; more precisely, in its 2025 election observation report ODIHR recommended regulating (online and) third-party campaigning, including by the entities affiliated with political parties, and defining relevant conditions for third-party campaigning and adequate reporting and sanctioning mechanisms.³⁸

39. The Venice Commission and DGI wish to emphasise the importance to address third-party spending. As the *Joint Guidelines* underline, “regulation of political party finance is complicated by the fact that parties are not the only actors capable of spending money with the aim of influencing elections. Within the sphere of electoral regulation, such other actors are identified as ‘third parties,’ referring both to individuals and to organisations who are not legally tied to, or acting in coordination with, any candidate or political party, but who nonetheless act with the aim of influencing the electoral result. [...] Even though the involvement of third parties as an expression of political pluralism and citizen involvement is not generally a negative phenomenon, it can create loopholes in the area of political and campaign finance, which should be regulated by legislators.”³⁹ The Venice Commission and DGI take the view such regulations should be included in the Electoral Code, since the issue of third parties is linked with the ceiling of electoral expenditures;⁴⁰ at the same time, they are of the opinion that the Draft Law also needs to provide for clear definitions of third parties and entities affiliated to or controlled by political parties,⁴¹ as recommended above, in order to prevent any loopholes in the system. Several interlocutors met in Tirana stressed that much money was raised prior to the official campaign period, thereby challenging the effectiveness of campaign funding regulations. It is therefore crucial that the legal framework provide comprehensive and consistent rules, beyond the campaign period.

³⁸ [ODIHR Election Observation Mission Final Report](#), Albania, Parliamentary Elections, 11 May 2025, p. 21, 34. ODIHR furthermore recommended introducing a reasonable ceiling on campaign expenses for candidates running on party or coalition lists: ODIHR noted that the 2025 legal amendments excluded candidate expenditure from party spending limits, without setting a separate ceiling for candidates; this legal ambiguity may allow for parties and coalitions to circumvent spending limits, impacting transparency and accountability and allowing for a disproportionate advantage to the largest parties. See also the European Commission’s [2023 Screening report for Albania](#), p. 48.

³⁹ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 218, 219.

⁴⁰ As an illustration of this, see e.g. the British legislation: https://www.electoralcommission.org.uk/sites/default/files/pdf_file/Briefing-on-third-party-campaigning-in-the-UK.pdf.

⁴¹ The Draft Law refers to these concepts, e.g. in Draft Articles 7 and 13.

40. As already emphasised, it is crucial that the rules concerning regular (routine) party financing and those governing election campaign financing be harmonised and do not contradict each other. The distinction between ordinary party activity and campaign activity is particularly sensitive in Albania because Draft Article 4 permits funds to be used for annual and electoral activities, public and social media activity, parliamentary groups, party branches and other political communication. If the general party finance law and the Electoral Code are not aligned, the same transaction may fall between two regimes or be reported only after the political effect has already occurred.

41. Finally, Draft Article 4 (item dh) also allows the use of resources for “any other activity, including activity in public and/or social media, that promotes the programme, activities, and objectives of the political party.” This provision appears rather broad and open-ended. While a certain degree of flexibility is understandable in light of the evolving nature of political communication and organisation, the interpretation and application of this provision need to be consistent and subject to appropriate oversight safeguards in order to prevent circumvention of financing rules or the use of party resources for purposes incompatible with the principles of transparency and accountability.

42. Draft Article 5(1) states: “The exercise of any form of political pressure on natural or legal persons for the purpose of securing donations for a political party, or by reason of having made donations to a political party, shall be prohibited.” The concept of “political pressure” needs to be clarified in the law, all the more as breach of this prohibition gives rise to administrative sanctions under Draft Article 21(1) (item h);⁴² any sanctioning provisions need to be precisely defined, for the sake of legal certainty and clarity.⁴³ In this connection, attention is also drawn to Article 328 of the Criminal Code⁴⁴ which criminalises active corruption in elections and gives rise to imprisonment; it is important that these different types of offences be clearly delineated.

43. In accordance with Draft Article 5(2), “the promise of privileges or personal benefits deriving from State or public resources, in contravention of the law, to donors of any political party shall be prohibited.”. This phrasing implies the involvement of various public entities, beyond State institutions, in the funding of political parties. However, the distinction is not subsequently reflected in Draft Article 7, as no specific consequences or provisions are derived from this distinction. As mentioned above with respect to Draft Article 2, a cross-reference to Article 91 of the Electoral Code could be inserted for harmonisation of the rules. The Venice Commission and DGI stress that the prohibition imposed by this paragraph should apply to all resources administered by the State, whether public or private. As a rule, such resources should not be allocated or used to favour donations to political parties.

2. CHAPTER II: SOURCES OF FINANCING OF POLITICAL PARTIES

44. Draft Article 6 lists the permissible funding sources:

“The financial and material resources of political parties shall comprise:

⁴² Draft Article 21 – Administrative measures:

“1. Any violation of the provisions of this law which does not constitute a criminal offence shall constitute an administrative contravention and shall be punishable by a fine, as follows:

[...] h) breach of Article 5 through the exercise of any form of pressure with respect to the making of, or obstruction of, donations to a political party, or through the making of promises of favourable treatment in exchange for financial or material support to a political party, shall, in addition to criminal prosecution, be punishable by a fine of from 500,000 to 1,000,000 lek. [...]”

⁴³ Venice Commission, [CDL-AD\(2025\)002](#), The Updated Rule of Law Checklist, Benchmark B.

⁴⁴ Article 328 of the Criminal Code – Active corruption in elections:

“Offering or giving money or material goods, making promises for employment or other favours in any form, for the voter or other persons in order to get signatures to field a candidate in elections, to vote in a certain way, to participate or not to participate in voting, or to get engaged into an illegal activity to support a candidate or political party, constitutes a criminal offence and is punishable by imprisonment of one year up to five years.”

- a) membership fees;
- b) donations in cash, in kind, or in the form of services;
- c) funding from the State Budget;
- ç) loans or credits obtained in accordance with the law;
- d) other income lawfully generated by the party in accordance with the legislation in force.”

It would be useful to include references to restrictions contained in other provisions (e.g. payment modalities under Draft Article 9, donation ceilings under Draft Article 10 and rules on the Public Fund under Draft Article 11). As for funding from the State Budget, a clear reference should be made to funding received from the “Public Fund”,⁴⁵ to prevent that political parties might receive funding from the State Budget through other mechanisms. Moreover, as mentioned above in relation to the definition of “income” in Draft Article 2, it should be clarified which public funding sources – other than the State Budget – are permitted, if any. Regarding loans, this term should also be precisely defined, as recommended above in relation to the definition of “income” in Draft Article 2. Finally, the authorities may wish to consider adding to the list of funding sources contributions paid by elected representatives,⁴⁶ as well as a reference to sponsoring.⁴⁷

45. Draft Article 7(1) contains a quite extensive list of prohibited funding sources:

“1. Political parties shall be prohibited from receiving financial or material assistance from:

- a) foreign governmental or non-governmental institutions, whether provided directly or indirectly, including through individuals, foundations, or other entities affiliated with them;
- b) foreign legal persons, including where they have established branches or representative offices in the Republic of Albania;
- c) foreign natural persons, including where they are partners or shareholders in commercial companies established in Albania,
- ç) anonymous donors;
- d) legal persons that are strategic investors or that carry out activities in the fields of gambling, casinos, or cryptocurrencies;
- dh) domestic public entities and commercial companies, including companies with state capital participation.
- e) legal persons that have concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship.
- ë) legal persons where the partner or shareholder holding more than half of the capital shares has benefited, whether directly or through other companies, from concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship;
- f) non-governmental organisations, humanitarian organisations, religious communities and organisations, and trade union organisations;
- g) natural or legal persons who are debtors to institutions of the Republic of Albania and against whom compulsory enforcement proceedings have been initiated by the bailiff service;
- gj) youth organisations, foundations, institutes, or similar bodies established by political parties, linked to political parties, or carrying out functional activities for political parties.

⁴⁵ See Draft Articles 2 and 11.

⁴⁶ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 223.

⁴⁷ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 215.

h) citizens convicted of criminal offences in the fields of corruption, money laundering, organised crime, trafficking in narcotic substances, or electoral offences.”

However, the Draft Law does not contain definitions for all these sources and there is a risk that the law may not be applied on equal terms to all political parties. Broad prohibitions must be accompanied by clear definitions and workable verification mechanisms.

46. As recommended above, the Draft Law should clearly specify which public funding sources are permissible – and which ones are for prohibited. While Draft Article 5(2) admits the existence of “public resources” that are different from “State resources”⁴⁸ – which, according to Draft Article 2(2), refer exclusively to funds from the national budget –, Draft Article 7 fails to specify clearly which public resources are prohibited.⁴⁹

47. As for the prohibitions which are explicitly included in Draft Article 7, international standards recognise and, to some extent, recommend certain restrictions, particularly limitations on or prohibition of donations from legal entities which provide goods or services for any public administration, donations from legal entities under the control of the State or of other public authorities, donations from foreign donors, and donations from anonymous donors.⁵⁰ The Venice Commission has recognised on previous occasions that certain restrictions on donations are reasonable and common, “such as limitations on donations from businesses and private organisations, and the prohibition of donations from legal entities under the control of the State or of other public authorities, and from anonymous donors”.⁵¹

48. More particularly, the prohibition of funding by commercial companies, including companies with State capital participation, by legal persons which have concession contracts, public-private partnership contracts, etc., with a three-year cooling-off period, is to be welcomed, as it prevents the so-called “pay-to-play” situations where awarding service contracts constitute a payback for party and campaign contributors. In this connection, attention is drawn to international standards according to which States should take measures aimed at limiting, prohibiting or otherwise strictly regulating donations from legal entities which provide goods or services for any public administration, and should prohibit legal entities under the control of public authorities from making donations to political parties.⁵²

49. Regarding the prohibition of funding from foreign sources, the Venice Commission and DGI note that Article 7 of Rec(2003)4 calls upon States to specifically limit, prohibit or otherwise regulate donations from foreign donors.⁵³ The Venice Commission has previously commented that this provision aims to avoid undue influence by foreign interests, including foreign governments, in domestic political affairs, and strengthens the independence of

⁴⁸ Draft Article 5 – Prohibition of the exercise of pressure:

“[...] 2) The promise of privileges or personal benefits deriving from State or public resources, in contravention of the law, to donors of any political party shall be prohibited.”

⁴⁹ In this connection, attention is drawn to international standards according to which States should prohibit legal entities under the control of the State or other public authorities from making donations to political parties. See [Rec\(2003\)4](#), Article 5c).

⁵⁰ See e.g. [Rec\(2003\)4](#), Articles 1, 5, 7; Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 204ff.

⁵¹ Venice Commission and ODIHR, [CDL-AD\(2022\)013](#), Mongolia - Joint Opinion on the Draft Law on Political Parties, para. 80, see also e.g. Venice Commission and ODIHR, [CDL-AD\(2023\)007](#), Azerbaijan - Joint opinion on the Law on Political Parties, para. 102.

⁵² See [Rec\(2003\)4](#), Article 5 b) and c).

⁵³ See also the PACE [Resolution 2390 \(2021\)](#) and [Recommendation 2208 \(2021\)](#) on “Transparency and regulation of donations to political parties and electoral campaigns from foreign donors”, which condemn all attempts to interfere improperly or illicitly in democratic decision-making processes in other States through financial contributions to political parties and electoral campaigns and call on member States to review their regulations governing financial contributions to political parties and electoral campaigns from foreign sources to mitigate the risk of inappropriate or illicit foreign financial interference.

political parties.⁵⁴ The ECtHR made it clear “that this matter falls within the residual margin of appreciation afforded to the Contracting States, which remain free to determine which sources of foreign funding may be received by political parties”; that said, it needs to be determined in practical terms whether the measure is proportionate to the aim pursued.⁵⁵ The *Joint Guidelines* state that foreign funding of political parties is an area that should be regulated carefully;⁵⁶ such regulation should 1) in principle allow for donations from citizens residing abroad if they are allowed to participate in elections at home – in the case of Albania, the prohibition only applies to foreigners, not to citizens residing abroad; and 2) avoid the infringement of free association in the case of political parties active at an international level, an issue which is, in the case of Albania, addressed by Draft Article 7(2): “Political parties may receive donations and assistance from political parties, international associations of political parties, or political organisations and foundations of other countries for the purpose of carrying out their lawful activities or for purposes such as strengthening cooperation with sister organisations, promoting and respecting human rights, fostering gender equality, democratisation, etc.”. Furthermore, it would be advisable to take into account relevant EU law, including as regards the voting rights that non-national EU citizens living in Albania would enjoy in the context of Albania’s prospective accession to the European Union.

50. That said, the Albanian authorities may wish to consider replacing the term “democratisation” in Draft Article 7(2) by “promoting values of democracy” which seems more appropriate.⁵⁷ Moreover, in the opinion of the Venice Commission and DGI, clarification is needed in order to identify which donations and types of material assistance from foreign organisations and foundations are permitted under this paragraph, bearing in mind also the prohibition of donations and material assistance from foreign NGOs specified in paragraph 1 of this Article.⁵⁸ It must be noted that the exception in Draft Article 7(2) is drafted very broadly: neither does it impose caps on acceptable amounts, nor does it provide for additional disclosure obligations beyond the general reporting framework or require prior notification to the CEC. Given the simultaneous absolute prohibition on donations from foreign natural persons under Draft Article 7(1)(c), this asymmetry could potentially be exploited through the channelling of funds via formally constituted foreign party structures.

51. Moreover, the Venice Commission and DGI recommend clarifying several specific questions concerning the list of prohibitions in Draft Article 7(1):

- The letters a) and f) could include exemptions for political foundations which may conduct programmes for Albanian parties belonging to the same political family. The drafters should reflect on whether they should allow for limited contributions or prohibit all support, as the text now seems to indicate. Paragraph 2 seems to indicate the opposite, so the text in that paragraph should be phrased as an exemption “by way of exemption from letters a and f”.
- The letter b) should be clarified – are donations prohibited only when they come from the mother company or also when they come from the local branches which are effectively Albanian legal persons? In the latter case, how would the control be done to ensure that this rule is complied with?

⁵⁴ See Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 229; Venice Commission, [CDL-AD\(2019\)002](#), Report on Funding of Associations, para. 77, with further references. See also Venice Commission, [CDL-AD\(2026\)007](#), Republic of Moldova – Opinion on Law no. 100/2025 containing a set of legislative amendments aiming to combat electoral corruption, para. 34.

⁵⁵ See ECtHR, *Parti Nationaliste Basque – Organisation Régionale d’Iparralde v. France*, Application no. 71251/01, Judgment, 7 June 2007.

⁵⁶ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 230f.

⁵⁷ The Venice Commission has emphasised the links between democracy and political parties, e.g. in the Code of Good Practice in the field of Political Parties, [CDL-AD\(2009\)002](#), para. 15.

⁵⁸ Regarding the prohibition of party funding from foreign sources, see also Venice Commission, [CDL-AD\(2022\)051](#), Republic of Moldova - *Amicus curiae* brief on declaring a political party unconstitutional, paras 39ff.

- In letter c) it is not clear why the last part is present in the text: “including when they are partners or shareholders in commercial companies established in Albania”.
- Letters d-h) should be clarified – are all commercial companies excluded or only those with public participation? As the text stands now, both interpretations are possible.
- Letters e) and ë) include cooling off periods which is a welcoming step forward. However, it is not entirely clear how the CEC will be able to enforce the prohibition under è) aimed at partners and shareholders of more than half of the capital having had contracts with intermediaries with public institutions in Albania.
- Letter f) prohibits donations from non-governmental organisations, humanitarian organisations, religious communities and trade unions. Although such prohibitions are not violating international standards and the prevention of circumvention and hidden financing may justify certain limitations, blanket prohibitions affecting broad categories of civil society actors should be carefully assessed as to their necessity and proportionality. In this respect, it may be useful to clarify more precisely the rationale underlying some of these restrictions and explain whether less restrictive measures could not achieve the same objectives of transparency and prevention of abuse.
- Letter g) may generate unwanted consequences deriving from glitches in IT systems and does not provide for the case when the enforcement procedures were initiated but later were challenged to courts.

52. Additionally, it must be noted that the list of prohibited funding sources in Draft Article 7(1) differs to some extent from that in Article 92/1 of the Electoral Code,⁵⁹ which regulates the funding of electoral subjects. For instance, Draft Article 7(1) (item e) prohibits donations by legal persons that have concession contracts, public-private partnership contracts, or public contracts for the supply of goods or the provision of services with institutions of the Republic of Albania, for a period of 3 years after the termination of the contractual relationship, whereas under Article 92/1 of the Electoral Code such a prohibition only concerns funds, concessions and contracts whose value exceeds ALL 10 million; and Draft Article 7(1) (item f) prohibits donations from non-governmental organisations, humanitarian organisations, religious communities and trade unions, whereas Article 92/1 of the Electoral Code does not contain such a prohibition. The Venice Commission and DGI recommend harmonising both articles, for the sake of consistency and effectiveness of the legal framework.

53. Finally, paragraph 3 of draft Article 7, under which “the CEC, in cooperation with the respective institutions having competence in the implementation of this Article shall establish the rules for the enforcement of the prohibitions and/or restrictions set out in paragraph 1 of

⁵⁹ Article 92/1 of the Electoral Code – Funding of electoral subjects through non-public funds:

“1. Electoral subjects and their candidates may receive funds for the purposes of their electoral campaigns only from domestic natural or legal persons. For the purposes of this law, an Albanian citizen who resides outside the territory of the Republic of Albania shall also be considered a domestic natural person.

2. The amount that each natural or legal person may give to an electoral subject, including its candidates, may not be larger than ALL 1 million or the equivalent value in kind or services. The amount in the first sentence shall be indexed by the CEC each five years against the inflation rate.

3. Donation of funds by a legal person or any of its shareholders is prohibited if one of the following conditions apply:

a) has received public funds, public contracts, or concessions in the last 3 years, exceeding ALL 10 million. This prohibition shall also apply to sub-contracting or public-private partnership contracts;

b) exercises media activity;

c) has been a partner in different projects with public funds;

ç) has monetary obligations towards the State Budget or any public institution.

This obligation shall not apply if the shareholder owns these shares as a result of a public offer.

4. Natural or legal persons who have donated to an electoral subject or their candidates in elections may not receive public contracts, public-private partnership contracts, or in any other way, funds with a total value exceeding ALL 10 million, including as a sub-contractor on a public contract/concession, for up to 3 years following the election date.

5. The electoral subject shall be obliged to disclose and provide full and uninterrupted access to third parties in its database where it records donations, borrowings, or loans benefited by the electoral subject and its candidates, for any amounts equal to and above 50 thousand ALL.”

this Article”, is also unclear. The Venice Commission and DGI recommend establishing clear institutional mandates and introducing a clear sanctions regime in the event of violations of this article.

54. Draft Article 9 on the modalities for party financing introduces several positive solutions, including strong traceability requirements through banking transactions and valuation rules, as well as limitations on cash transactions. In accordance with Draft Article 9(1), “all financial and material income of political parties shall be recorded in the registers of the political parties. Income received in the form of services shall in all cases be recorded at the monetary value of the service.” The introduction of the second sentence is a welcome development; the Venice Commission and DGI note that the registration of in-kind donations at their market value is a means to ensure that such services are properly identified and are not misused to circumvent donations ceilings.⁶⁰ That said, they note that Draft Article 9(2) leaves it to the donors to indicate the market value: “For each donation of goods or services, including donations in kind, natural persons shall sign a declaration of contribution stating the market value of the goods or services, whereas legal persons shall issue an invoice specifying the market value of each good or service donated to the political party. The content of the declaration shall be determined by a normative act of the CEC.” The Venice Commission and DGI recommend providing more detailed guidance for the valuation of services and other non-monetary support.⁶¹

55. The Venice Commission and DGI also recommend providing for specific regulations concerning the terms and conditions for granting loans for party/campaign funding purposes, to the extent that such loans are permissible, which needs to be clarified⁶² (such as the maximum value of loans, the categories of permissible lenders, repayment conditions, etc.); the current Draft Law only mentions loans in Article 6 as a possible funding source but does not foresee any specific rules. As the *Joint Guidelines* stress, it is important that rules on transparency deal consistently with such resources, as well as with credits and debts, to avoid the circumvention of limits on private donations and the ensuing exercise of undue influence.⁶³

56. Draft Article 9(3) states: “As a general rule, political parties shall maintain a single bank account and, where this is not possible, may open accounts with another second-tier bank in the Republic of Albania, through which all transactions shall be carried out.” While this provision is welcome in principle, the terms “as a general rule” and the exception allowing another bank account to be opened “where this is not possible”, appear too vague. It would be preferable to reformulate the provision to refer explicitly to a main bank account and, where necessary, a separate account for election campaign purposes.

⁶⁰ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 216. Similarly, GRECO has repeatedly drawn the attention of member States to the need for such rules, see e.g. the [Third Round Evaluation Reports](#) on Armenia (para. 64), Finland (para. 69), Romania (para. 115).

⁶¹ A useful example for such guidance is provided by the Good practices of the British Electoral Commission, see <https://www.electoralcommission.org.uk/political-party-donations-and-loans-great-britain/how-do-you-work-out-value-a-donation>.

⁶² See the recommendation made above in the section “General provisions”, in relation to the definition of “income” in Draft Article 2.

⁶³ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 210. Similarly, GRECO has repeatedly drawn the attention of member States to the need for such rules, see e.g. the [Third Round Evaluation Reports](#) on Poland (para. 80), Serbia (para. 71) and Spain (para. 74). In this context, examples from the legislation of other countries can be helpful. In France, for instance, the terms of borrowings, including the loan term and the identity of the lender, must be detailed and published in both campaign and party accounts, increasing transparency. This mechanism allows the supervisory authority to conduct audits, particularly to uncover certain “disguised” illegal donations taking the appearance of loans and thus verify compliance with the donation limit. In Poland, the National Electoral Commission can monitor loan repayments and check whether they are in accordance with the relevant legislation. As with campaign finance, a violation of the rules governing the granting or repayment of loans leads to the rejection of the financial reports. In Spain, debt cancellation is prohibited, and loans are not exempt from the donation limit for individual contributions.

57. Pursuant to Draft Article 9(4), “all financial income and expenditures permitted under this law, except for membership fees, shall be made through bank transactions. Income from membership fees received in *cash* shall be deposited into the bank account of the political party no later than 5 days after receipt.” Pursuant to Draft Article 9(5), “any monetary donation exceeding 50,000 lek [ca. 525€] shall be made only through the banking system.” The relationship between these two paragraphs, which seem to contradict each other, should be clarified in the law. Furthermore, the Venice Commission and DGI were informed by several interlocutors in Tirana about various practices aiming to circumvent transparency regulations on donations, such as the use of intermediaries or straw donors. They recommend introducing additional transparency requirements to prevent concealment of donations and to ensure identification of donors (and of beneficial owners, in case of legal persons).

58. As mentioned above, contrary to other income such as donations, membership fees may be paid in cash without any limit; the only rule which is provided for fees paid in cash is that they shall be deposited into the bank account of the political party no later than five days after receipt. In the view of the Venice Commission and DGI, appropriate measures should be taken to ensure that membership fees are not used to circumvent the regulations on donations, for instance by treating them as donations, or by establishing a threshold for membership fees and clear transparency regulations.⁶⁴

59. According to Draft Article 9(6), “where financial resources are made available to a political party, without its intention to accept them, in contravention of the provisions of the Draft Law, the party shall, within 5 days from the date of deposit, notify the CEC and transfer those funds to the State Budget.” In the opinion of the Venice Commission and DGI, this provision should be reconsidered, as its implementation will be problematic in practice: political parties do not have access to State-owned databases in order to identify donations from ineligible sources (for example those listed in Draft Article 7). Moreover, the sanctions section does not include a sanction for the breach of this provision.

60. Draft Article 10(1) introduces different ceilings for donations⁶⁵ by Albanian citizens and legal persons, which is in line with international standards.⁶⁶ A specific ceiling is established for natural persons registered in accordance with tax legislation (item c); during the meetings in Tirana the authorities explained that this applies to individuals who run a business and are subject to a specific tax regime; this should be made clear in the law.

61. Regarding the established ceilings, the *Joint Guidelines* state that such limits should be carefully balanced between, on the one hand, ensuring that there is no distortion in the political process in favor of wealthy interests and, on the other hand, encouraging political participation, including by allowing individuals to contribute to the parties of their choice. They recommend designing such limits to account for inflation, based on, for example, some form of indexation, such as a minimum salary value, rather than absolute amounts.⁶⁷ The Venice Commission

⁶⁴ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 207; Venice Commission and ODIHR, [CDL-AD\(2023\)007](#), Azerbaijan - Joint opinion on the Law on Political Parties, para. 104.

⁶⁵ Draft Article 10 – Contributions to Political Parties:

“1. A political party may receive donations from:

a) an Albanian citizen, in an amount not exceeding 200,000 lek [ca. 2,100€] in a calendar year.
b) a natural person registered in accordance with tax legislation, in an amount not exceeding 500,000 lek [ca. 5,250€] in a calendar year;
c) a legal person, in an amount not exceeding 1,000,000 lek [ca. 10,500€] in a calendar year.
[...].”

⁶⁶ See [Rec\(2003\)4](#), Article 3 b); Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 211ff.

⁶⁷ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 213.

and DGI note that some of the interlocutors in Tirana found the new ceilings too low and argued that they could lead to more hidden financing of parties. They further note that comparative European practice demonstrates considerable diversity regarding donation ceilings applicable to political parties. It appears that a significant number of European states either apply substantially higher contribution ceilings or do not establish fixed quantitative limits at all, relying primarily on transparency and disclosure obligations.⁶⁸ The authorities may wish to reconsider the ceilings and link them to some form of indexation, such as a minimum salary value.

62. Draft Article 10(2) states: “Upon making a donation under paragraph 1 of this Article, the donor shall sign a declaration confirming that he or she is not subject to any of the circumstances provided for in Article 7 of this Law and shall bear personal liability for any false declaration. The form and content of the declaration shall be approved by a normative act of the CEC, and its signature shall be mandatory in every case of donation.” However, it remains unclear whether political parties are expected to verify the accuracy of such declarations, despite lacking the institutional means to do so, or whether the declarations are merely intended to be retained and presented during oversight procedures conducted by the CEC. Although Draft Article 7 refers to an inter-institutional cooperation mechanism aimed at ensuring compliance with the legal prohibitions, the draft does not explain how this mechanism would operate in practice. The Venice Commission and DGI recommend clarifying these questions in the law.

63. Draft Article 11 on the Public Fund for the support of political parties⁶⁹ includes a distribution formula in paragraph 2 which reads as follows:

“2. This Fund shall be allocated in accordance with the following rules:

⁶⁸ See the Political Finance Database run by International IDEA, online at <https://www.idea.int/data-tools/data/political-finance-database>.

⁶⁹ Draft Article 11 – Public Fund for the Support of Political Parties:

1. Each year, the State Budget shall provide for a Public Fund to serve as public financial support for the annual activities of political parties. The Public Fund provided for in the State Budget for non-election years may not be lower than the fund provided for in the preceding year.

2. This Fund shall be allocated in accordance with the following rules:

a) 70 per cent, in proportion to the number of deputies won in the most recent general elections. Each parliamentary party shall receive financial assistance in proportion to the number of seats it won as determined on the date of the elections, in accordance with the electoral system provided for in the Electoral Code

b) 20 per cent, to be distributed equally among parliamentary parties and parties that received more than 10,000 votes in the most recent general elections.

c) 10 per cent, in proportion to the percentage obtained by political parties that participated in the most recent general elections and received more than 1 per cent of the votes nationwide.

Any part of the 10 per cent share that remains undistributed shall be added to the 70 per cent fund and distributed among the parliamentary parties as determined on the date of the elections.

3. The specific amount of the Public Fund to be received by each political party as annual financial assistance, in accordance with this Law, shall be determined by an act of the CEC. The decision of the CEC shall be notified to the beneficiary political parties and to the Ministry of Finance, and shall be published in the Official Gazette.

4. Annual financial assistance shall, in all cases, be granted only if the political party has submitted the annual financial report for the preceding year, in accordance with the rules established by the CEC. Failure to submit this report shall constitute grounds for excluding the political party from receiving annual financial assistance.

5. The decision of the CEC determining the specific amount of the Public Fund for each political party may be appealed before a court in accordance with the rules governing the adjudication of administrative disputes.

6. Each year, the State Budget shall also provide for a financial grant to political parties in the amount of 5 per cent of the Public Fund, which shall be distributed to the political parties entitled under paragraph 2 of this Article, on the basis of their activities and efforts to promote gender equality and the role of young people in politics. The criteria for assessing the activities and actions under this paragraph, the methodology, and the manner of determining and distributing the financial grant shall be laid down by a normative act of the CEC.

7. The Council of Ministers shall index the amount of the Public Fund every two years. The level of indexation shall not exceed one percentage point above the inflation target set by the Bank of Albania.

8. The Assembly of Albania shall periodically review the amount of the Public Fund every 4 years from the date of entry into force of this Law.”

- a) 70 per cent, in proportion to the number of deputies won in the most recent general elections. Each parliamentary party shall receive financial assistance in proportion to the number of seats it won as determined on the date of the elections, in accordance with the electoral system provided for in the Electoral Code
 - b) 20 per cent, to be distributed equally among parliamentary parties and parties that received more than 10,000 votes in the most recent general elections.
 - c) 10 per cent, in proportion to the percentage obtained by political parties that participated in the most recent general elections and received more than 1 per cent of the votes nationwide.
- Any part of the 10 per cent share that remains undistributed shall be added to the 70 per cent fund and distributed among the parliamentary parties as determined on the date of the elections.”

64. This provision maintains the current distribution formula, which is thus based on the results of the most recent general elections,⁷⁰ and which also provides for some support for parties who did not enter Parliament but received more than 1% of votes nationwide. That said, the 10% share of the Public Fund which is reserved for the parties exceeding this threshold is distributed in proportion to the percentage obtained by all political parties concerned, including parliamentary ones. Overall, the Venice Commission and DGI find that the strong emphasis placed on parliamentary representation in the allocation formula, combined with the redistribution of undistributed funds to parliamentary parties, may merit further consideration in light of the principles of equal opportunity and political pluralism. Even though there is no universally prescribed system for determining the distribution of public funding,⁷¹ systems of public financing should avoid creating excessive structural advantages for established parliamentary parties or reinforcing dominant political positions.⁷² In the political context of Albania, which is dominated by two major parties, it might be advisable to increase access to public funding to smaller competitors, including those not yet represented in Parliament.

65. A new element introduced by Draft Article 11(6) is the provision of a special financial grant to political parties, in the amount of 5% of the Public Fund, to be distributed on the basis of the parties' activities and efforts to promote gender equality and the role of young people in politics. While linking allocation of public funding to measures promoting gender equality and broader political participation is welcome and in line with the *Joint Guidelines*,⁷³ the Venice Commission and DGI recommend that the criteria for assessing the parties' activities, the methodology, and the manner of determining and distributing the financial grant be included in the Draft Law, and not left to the sole discretion of the CEC through its normative act.

66. Moreover, Draft Article 11(4) needs to be clarified. According to this provision, “annual financial assistance shall, in all cases, be granted only if the political party has submitted the annual financial report for the preceding year, in accordance with the rules established by the CEC. Failure to submit this report shall constitute grounds for excluding the political party from receiving annual financial assistance.” Since financial reports are submitted by 31 March each year, making access to public funds conditional upon such submission would, in practice, mean that eligibility for public funding can only be determined after that date.

⁷⁰ The largest share of the Public Fund, amounting to 70%, is distributed proportionally according to the number of parliamentary seats obtained in the most recent general elections. A further 20% is distributed equally among parliamentary parties and parties obtaining more than 10,000 votes, while 10% is distributed proportionally among parties receiving more than 1% of votes nationwide. The Draft Law further provides that any undistributed portion of the final 10% share is to be redistributed among parliamentary parties.

⁷¹ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 239.

⁷² Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 239, 241, 242.

⁷³ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 244.

67. Draft Article 11(5) states that “the decision of the CEC determining the specific amount of the Public Fund for each political party may be appealed before a court in accordance with the rules governing the adjudication of administrative disputes.” It would be useful to indicate explicitly which is the competent court for such matters.

68. Under Draft Article 12, each political party shall designate a person responsible for finance.⁷⁴ The Venice Commission and DGI recommend determining the length of the mandate of that responsible person in the law.

3. CHAPTER III: REPORTING FROM POLITICAL PARTIES

69. Draft Article 13 maintains the current rule that political parties must submit annual financial reports to the CEC, as follows:

- “1. Political parties shall be required to submit the Annual Financing Report to the CEC no later than 31 March for the preceding year, in the manner prescribed by a decision of the CEC.
2. The Annual Financing Report shall contain detailed information on:
 - a) sources of financing of every kind, in accordance with the standardised format approved by the CEC;
 - b) expenditures, in accordance with the standardized format approved by the CEC;
 - c) entities directly or indirectly linked to political parties, or controlled by them, as declared by the political party itself.
3. The Annual Financing Report shall be submitted by the person responsible for finance in the political party, or by the person designated in accordance with the statute of the political party, within the time limit set out in paragraph 1 of this Article.
4. During the election year, the financial reports of the political party shall be submitted together with the financial report of the election campaign.
5. The Annual Financing Report, the report of the licensed accounting experts, the financial report of the election campaign, and the CEC report shall be published on the CEC’s official website no later than 30 days from their submission by the political party.”

70. Reference is made to the need for the report to contain “detailed information” on the sources of financing and expenditures. However, the Venice Commission and DGI are of the opinion that the law should define more precisely the reporting requirements and extend them to other items, in order to ensure adequate transparency of party finances. More precisely, they recommend making it clear in the law that the reporting content must include, on an itemised basis, all sources of income, expenditures, assets,⁷⁵ liabilities, loans, debts, guarantees, in-kind contributions, below-market-value services, related-entity transactions, public support in kind, media and digital communication expenditure, and the gender and youth grant. A reporting system that does not include liabilities and debts would miss a major form of financial influence on political parties. In addition, parties should be explicitly required to submit supporting documents – together with the annual report – to the CEC, in order to

⁷⁴ Draft Article 12 – Responsibility for the use of financial and material resources:

“1. The political party shall designate a person responsible for finance, who shall be responsible for:

- a) recording income of any form;
- b) expenditures incurred;
- c) submission of the Annual Financial Report;
- ç) other obligations related to the financing of the political party.

2. The person responsible for finance shall be the person entrusted by law with carrying out all actions of a financial nature on behalf of the political party, shall bear responsibility for the accuracy of the data submitted to the CEC, and shall represent the political party in matters of financing before the CEC and other institutions in accordance with the legislation in force.”

⁷⁵ According to GRECO, assets owned by the political parties and debts should be accounted for in a comprehensive manner, see e.g. the [Third Round Evaluation Reports](#) on Ireland (para. 104), Liechtenstein (para. 50), Malta (para. 67), Sweden (para. 70). Their value should be assessed on the basis of their acquisition and production costs less any scheduled depreciation.

allow for meaningful control of party finances. It would also be very useful to provide a template for financial reports, as in practice the same requirements may be interpreted very differently by political parties.

71. Moreover, in the opinion of the Venice Commission and DGI, the Draft Law does not require detailed reporting of media and digital political communication expenditure. Political influence may be exercised through payments to media outlets, communication agencies, influencers, online platforms, etc. It may also be exercised through sponsored content, targeted advertising or paid amplification. If these costs are reported only as broad categories, public scrutiny will remain weak. It is therefore recommended to require a dedicated reporting category for political communication expenditure, including media, online platforms, communication agencies, sponsored content, paid amplification and data services.

72. To further strengthen transparency and ensure coherent supervision of financial reporting, it would be useful to clarify whether the obligation to disclose information concerning “entities directly or indirectly linked to political parties, or controlled by them, as declared by the political party itself” under Draft Article 13(2)(c) also entails an obligation of consolidated reporting for audit purposes. It should be recalled that foundations and similar entities affiliated with political parties should generally be subject to the same standards of transparency and disclosure as political parties themselves. Although such foundations may play an important role in representing and articulating citizens’ interests, political finance legislation often fails to regulate adequately their record-keeping obligations, financial reporting duties, and supporting documentation requirements. This creates a risk that such entities may be used to circumvent political finance rules by functioning as indirect channels for party financing and campaign expenditure. Where political foundations exist, they should therefore fall within the same supervisory framework as political parties and be subject to equivalent transparency obligations.⁷⁶

73. According to Draft Article 13(5), “the annual financial report of a political party, the report of the licensed accounting experts, the financial report of the election campaign, and the CEC report shall be published on the CEC’s official website no later than 30 days from their submission by the political party.” While this is in line with the current regulation under the Law on Political Parties, the Venice Commission and the DGI find this deadline too short as far as the CEC report is concerned; in order to enable the CEC to examine in depth the reports of political parties and accountants, this deadline should be extended appropriately.

74. The Venice Commission and DGI also take the view that the annual reporting by political parties is not sufficient to ensure timely transparency and they recommend ensuring periodic disclosure during the year, particularly in election years. According to international standards, political parties should be required to submit their financial accounts “at least annually” to the oversight body.⁷⁷ The *Joint Guidelines* state that it is good practice to require initial reports before the campaign begins; reports providing oversight bodies and the public with preliminary information on campaign incomes and expenses of parties and candidates several days before election day; and final reports after the election and certification of results, to provide a complete and comprehensive account of all campaign financing.⁷⁸

75. The Venice Commission and DGI are of the opinion that the absence of periodical reports leads to a high risk of violations occurring long before the submission of the report. In such cases, control of the accuracy of the report may be overly difficult. Furthermore, absence of interim reporting in election years means that voters may not know the sources and scale of

⁷⁶ See [Rec\(2003\)4](#), Article 6, according to which rules governing donations to political parties should also apply, as appropriate, to all entities directly or indirectly connected to, or controlled by, political parties.

⁷⁷ See [Rec\(2003\)4](#), Article 13.

⁷⁸ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), *Joint Guidelines on Political Party Regulation*, Second Edition, para. 261.

party financing until after the relevant political decisions or elections have taken place. Financing shortcomings or illegal financing may occur rapidly, and especially during the electoral period they may immediately affect the public support for the party concerned. Speedy reporting is thus crucial. This issue has been repeatedly identified as a weakness in the Albanian law and needs to be remedied.

76. In the opinion of the Venice Commission and DGI, the law should also explicitly require publication in an open, searchable and machine-readable format. Open data is not merely a technical matter. It enables media, civil society and oversight bodies to compare parties, identify patterns and detect risks. Publication only as scanned documents or non-searchable files would not fulfil the transparency objective effectively.

77. Under Draft Article 15(1), “political parties shall be required to provide in their statutes for the exercise of internal financial control through the structures specified therein.” As a consequence, internal control can vary considerably from party to party, making comparisons in terms of transparency difficult. It would be preferable to establish some common rules in the law. Furthermore, this article should make reference to the person responsible for finance mentioned in Draft Articles 12 and 13, and to the auditors mentioned in Draft Article 17.

78. Draft Article 16(1) states: “1) Where a political party fails to pay its obligations, such as fines imposed by the CEC, tax liabilities, or obligations arising from the enforcement of final court decisions, the corresponding amount shall be deducted from the funds allocated to the party from the Public Fund. 2) Where the amount of a political party’s obligations exceeds the funds it receives from the Public Fund, the political party may not participate in elections without first paying the relevant obligation.” The relationship between these provisions and Draft Article 21(1) (item g), which provides for administrative fines for breaches of the provisions on the financing of political parties by the person responsible for the finances of the political party,⁷⁹ should be clarified in the law. Moreover, Draft Article 16(2), which may prevent a party from participating in elections if unpaid obligations exceed the public funds it receives, should be more nuanced. Exclusion from elections is one of the most serious interferences with political pluralism. It should not operate automatically for ordinary debts or administrative disputes. The Venice Commission and the DGI recommend that, if this mechanism is retained, it should apply only to serious, final and enforceable obligations, after notice, opportunity to remedy and effective judicial review.

79. In line with the current regulation under the Law on Political Parties, Draft Article 17 regulates financial control⁸⁰ which consists of two steps, namely auditing of the parties’

⁷⁹ Draft Article 21 – Administrative measures:

“1. Any violation of the provisions of this law which does not constitute a criminal offence shall constitute an administrative contravention and shall be punishable by a fine, as follows:

[...] g) breach of the provisions on the financing of political parties by the person responsible for the finances of the political party, by a fine of from 100,000 to 300,000 lek; [...]”

⁸⁰ Draft Article 17 – Financial control:

“1. The Annual Financing Reports submitted by political parties shall be audited, in accordance with the applicable standards under the legislation in force, by licensed accounting experts with experience who have practised this profession for more than 3 years.

2. An accounting expert may not audit the same political party for two consecutive years.

3. The CEC shall, by lot, appoint one or more licensed accounting experts from the list referred to in paragraph 1 of this Article to audit the funds received and expended during the calendar year by the political party that has submitted the Annual Financing Report. The appointment shall be made during the period from 1 to 7 April of each calendar year. The audit report shall be submitted to the CEC within the time limit specified in its decision appointing the experts.

4. Political parties shall cooperate with the accounting expert appointed by the CEC and shall make available to him, without delay, any information, document, or data relating to income and expenditures during the calendar year, in accordance with this Law.

5. The CEC shall have the right to verify directly, either upon request or ex officio, the income and expenditures of any political party, the audit report referred to in paragraph 3 of this Article, as well as any other

financial reports by accounting experts appointed by the CEC, and verification of the audit report and further information on parties' finances by the CEC. The present regime has repeatedly been criticised as lacking effectiveness, including by the European Commission.⁸¹

80. Regarding the first step of the financial control, Draft Article 17(1) to (3) provide the following:

- “1. The Annual Financing Reports submitted by political parties shall be audited, in accordance with the applicable standards under the legislation in force, by licensed accounting experts with experience who have practised this profession for more than 3 years.
2. An accounting expert may not audit the same political party for two consecutive years.
3. The CEC shall, by lot, appoint one or more licensed accounting experts from the list referred to in paragraph 1 of this Article to audit the funds received and expended during the calendar year by the political party that has submitted the Annual Financing Report. The appointment shall be made during the period from 1 to 7 April of each calendar year. The audit report shall be submitted to the CEC within the time limit specified in its decision appointing the experts.”

The Venice Commission and the DGI are of the opinion that the guarantees of independence of the auditors should be strengthened:⁸² To avoid any conflict of interest, auditors should not be member of the audited political party or in conflict of interest with a donor. Furthermore, the tasks of the auditors should be clearly defined in the Draft Law. It should be clearly said that they can certify, refuse or raise objections to the party's financial report.⁸³ The audit certificate should be attached to the financial report to be submitted and published in full. In addition, the auditor's mandate should be uniform and defined by law and should not vary from one party to another.

81. Draft Article 17(5) regulates the second step of the financial control:

- “5. The CEC shall have the right to verify directly, either upon request or ex officio, the income and expenditures of any political party, the audit report referred to in paragraph 3 of this Article, as well as any other information concerning financing of which it becomes aware. The CEC has the right to request data, documents or information from the political party or third parties, who must respond to the request of

information concerning financing of which it becomes aware. The CEC has the right to request data, documents or information from the political party or third parties, who must respond to the request of the CEC within 15 days of receiving it. Failure or refusal to cooperate, destruction of documents, delays, or improper conduct in the verification process conducted by the CEC shall be reported to the prosecution as a criminal offence pursuant to Article 248 of the Criminal Code and shall also be subject to administrative sanctions in accordance with this Law.

6. The CEC shall publish the audit reports of political parties within 30 days from the date of submission of the report or, as the case may be, from the conclusion of the verification procedure.

7. Failure by political parties or donors to comply with the rules laid down in this Law shall, where it does not constitute a criminal offence, constitute an administrative violation and shall be sanctioned in accordance with the provisions of this Law.

8. Where the CEC suspects irregularities in the financing activities of political parties, it shall, as appropriate, transmit a copy of the Audit Report to the prosecution, the central tax administration, or the General Directorate for the Prevention of Money Laundering.

9. The annual report submitted by the CEC to the Assembly at the beginning of each calendar year shall contain a separate section on the financing of political parties in the preceding year and shall include the findings of the audit process, as well as the recommendations made by the CEC with a view to improving the mechanisms for party financing, particularly in terms of enhancing transparency and accountability.

10. The expenses necessary for the audit of political parties shall be covered by the CEC.

11. The detailed rules for carrying out the audit process shall be determined by a normative act of the CEC.”

⁸¹ See the [2023 Screening report for Albania](#), p. 10 : “CEC capacities to ensure proper monitoring of parties' finances remain to be consolidated to contribute to greater scrutiny, including to a more rigorous audit regime.”

⁸² GRECO has repeatedly expressed concerns about the lack of guarantees of auditors' independence, see e.g. the [Third Round Evaluation Reports](#) on Iceland (para. 78), Italy (para. 139), Montenegro (para. 77), Norway (para. 86), Serbia (para. 77).

⁸³ See for instance Section 30 of the [German Political Parties Act](#).

the CEC within 15 days of receiving it. Failure or refusal to cooperate, destruction of documents, delays, or improper conduct in the verification process conducted by the CEC shall be reported to the prosecution as a criminal offence pursuant to Article 248 of the Criminal Code and shall also be subject to administrative sanctions in accordance with this Law.”

The Venice Commission and DGI note that the powers given to the CEC under these provisions may constitute important tools for preventing circumvention of financing rules and detecting concealed forms of financing. At the same time, the exercise of these powers should be subject to sufficiently clear procedural safeguards and criteria to avoid risks of disproportionate interference. In particular, it is necessary to clarify the conditions under which the CEC may initiate *ex officio* investigations, the scope of information requests addressed to third parties, and the procedural guarantees available to affected entities.

82. Furthermore, it should be made clear in the law whether Draft Article 17(5) also allows the CEC to request data from other public institutions. As the Venice Commission has stated on previous occasions, the financial monitoring will be more effective if the oversight body has the power to ask other institutions such as tax, anti-money laundering or anti-corruption authorities for assistance.⁸⁴ Draft Article 17(8) states that the CEC shall transmit the audit report to such institutions in case of suspicions of irregularities – which is a welcome innovation, but the Venice Commission and DGI recommend making it clear that the CEC may request their cooperation at an earlier stage, before the adoption of the audit report. The Draft Law should establish a clearly defined mechanism for cooperation between the CEC and other State agencies on a permanent basis.

83. In this connection, the Venice Commission and DGI also note that the distinction between accounting audit and substantive verification by the CEC should be made clearer. Accounting experts can verify completeness and consistency of accounts, but they may not be able to determine whether a donor is a public contractor, whether a transaction is linked to money laundering risk, whether a service was provided below market value or whether expenditure was coordinated with a third party. For these questions, the CEC will need access to other institutional data and a risk-based methodology.

84. The Venice Commission and DGI therefore recommend defining the minimum features of the audit and verification system in the law: risk indicators, sample selection, deeper verification of high-value or high-risk transactions, institutional response deadlines, cooperation with tax, anti-money laundering, procurement, beneficial ownership and prosecution authorities, and publication of audit findings. Secondary legislation – as envisaged in Draft Article 17(11) – can elaborate on these matters, but the primary law should establish the main criteria and rules.

85. The Venice Commission and DGI also note that the time limit for the retention of data attached to financial statements is not specified in Draft Article 17 and should be clarified. According to Article 92/3(3) of the Electoral Code, “every political party participating in elections shall keep and maintain in its archives, for a period of 7 years, complete and detailed documentation of its financial standing and of all its branches for the period covered by this report”. But political parties which do not participate in electoral campaigns are not subject to this rule, which raises questions in terms of transparency and consistency of the legal framework.

86. Draft Article 18 states: “Each political party represented in the Assembly of the Republic of Albania shall be obliged to:

⁸⁴ See e.g. Venice Commission and ODIHR, [CDL-AD\(2014\)035](#), Joint Opinion on the Draft Act to regulate the formation, the inner structures, functioning and financing of political parties and their participation in elections of Malta, para. 43.

- a) publish on its official website, within the month of December of each year, all expenditures incurred during the calendar year;
- b) make public on its official website, within the month of December of each year, the list of donors, including the name and surname, in the case of a natural person, or the name of the legal person, as well as the type, amount, and date of the contribution;
- c) keep its annual financial report published on its official website for at least three consecutive years.”

87. Such requirements are generally in line with international standards which call for publication of party accounts or of a summary thereof.⁸⁵ As regards the identification of donors, Article 12 b) of Rec(2003)4 recommends that in case of donations over a certain value, donors should be identified in the records. Another question is whether such information should be disclosed. The Venice Commission and DGI refer in this connection to previous Opinions, according to which transparency or reporting requirements must strike a fair balance between necessary disclosure and the required privacy and data protection safeguards of individual donors; only names of donors and amounts above a certain level should be made public, and the private addresses and contact details of donors shall not be made public.⁸⁶ The Venice Commission and DGI recommend amending Draft Article 18 accordingly.⁸⁷ Furthermore, they recommend considering extending the publication requirements to non-parliamentary parties.

4. CHAPTER IV: RESPONSIBLE STRUCTURES

88. According to Draft Article 19,⁸⁸ the CEC continues to be the body responsible for monitoring and overseeing the annual financing of political parties,⁸⁹ and the CEC has extensive responsibilities, see paragraphs 1 and 2:

- “1. The CEC is the body responsible for monitoring and overseeing the annual financing of political parties, in accordance with the rules of this law.
2. For the purposes of, and in implementation of, this law, the CEC shall have the following powers:

⁸⁵ See [Rec\(2003\)4](#), Article 13 b).

⁸⁶ See e.g. Venice Commission and ODIHR, [CDL-AD\(2023\)007](#), Azerbaijan - Joint opinion on the Law on Political Parties, para. 103; Venice Commission and ODIHR, [CDL-AD\(2022\)013](#), Mongolia - Joint Opinion on the Draft Law on Political Parties, para. 102.

⁸⁷ The current legislation provides for such a threshold: under Article 23/1(1), a list of persons donating amounts of at least 100,000 ALL (ca. 1,050€) is made public.

⁸⁸ Draft Article 19 – Body responsible for the financing of political parties:

1. The CEC is the body responsible for monitoring and overseeing the annual financing of political parties, in accordance with the rules of this law.
2. For the purposes of, and in implementation of, this law, the CEC shall have the following powers:
 - a) to draft and adopt rules on financial reporting, monitoring, oversight, and financial auditing of political parties, as well as standardised formats for annual financial reporting;
 - b) to approve the format of the special register of non-public funds of political parties, as well as the format, form, and content of the declaration on donations of non-public funds;
 - c) to maintain a list of licensed accounting experts and to select by lot those assigned to audit the income and expenditures of political parties;
 - ç) to monitor, supervise, and audit the financing of political parties through the examination of financial documentation and accounting records of political parties, as well as of entities directly or indirectly linked to political parties or under their control;
 - d) to impose sanctions where it finds violations of the provisions of this law;
 - dh) to develop awareness-raising programmes and organize training on the financing of political parties and other entities involved in this process, in accordance with the provisions of this law;
 - e) to determine the amount of the Public Fund to be allocated to each political party in the form of annual financial assistance, in accordance with this law;
 - ë) to issue sublegal acts for the purposes of, and in implementation of, the provisions of this law.
3. A structure responsible for the financing, monitoring, and control of political party financing shall be established and shall operate within the CEC.”

⁸⁹ During the meetings in Tirana, the Venice Commission and DGI were informed that the accounts of political parties were also audited by the State Supreme Audit, following the verification of party accounts by the CEC; this mandate derived indirectly from the State Supreme Audit’s task to audit the CEC.

- a) to draft and adopt rules on financial reporting, monitoring, oversight, and financial auditing of political parties, as well as standardised formats for annual financial reporting;
- b) to approve the format of the special register of non-public funds of political parties, as well as the format, form, and content of the declaration on donations of non-public funds;
- c) to maintain a list of licensed accounting experts and to select by lot those assigned to audit the income and expenditures of political parties;
- ç) to monitor, supervise, and audit the financing of political parties through the examination of financial documentation and accounting records of political parties, as well as of entities directly or indirectly linked to political parties or under their control;
- d) to impose sanctions where it finds violations of the provisions of this law;
- dh) to develop awareness-raising programmes and organize training on the financing of political parties and other entities involved in this process, in accordance with the provisions of this law;
- e) to determine the amount of the Public Fund to be allocated to each political party in the form of annual financial assistance, in accordance with this law;
- ë) to issue sublegal acts for the purposes of, and in implementation of, the provisions of this law.”

Such concentration of responsibility may be acceptable, provided that the CEC has sufficient human, technical and financial resources, access to relevant data under safeguards, and effective cooperation with tax, anti-money laundering, audit, procurement and prosecutorial authorities.⁹⁰

89. As mentioned above in relation to Chapter III on “Reporting from political parties”, the current regime has been criticised by several observers as lacking effectiveness. In this connection, it must be noted that the Draft Law introduces a new provision (paragraph 3) according to which “a structure responsible for the financing, monitoring, and control of political party financing shall be established and shall operate within the CEC”. While the Venice Commission and DGI welcome the establishment of an oversight body, they recommend introducing detailed regulations in the law itself, including safeguards of independence of that structure, guarantees of adequate financial and human resources, as well as the mandate and the authority to effectively and pro-actively supervise the funding of political parties and to investigate alleged infringements of political financing regulations – beyond the information submitted by political parties –, in cooperation with other relevant State agencies.⁹¹ In this connection, attention is drawn to the *Joint Guidelines* which state that “generally, legislation should grant oversight agencies the ability to investigate and pursue potential violations. Without such investigative powers, agencies are unlikely to have the ability to effectively implement their mandate. Adequate financing and resources are also necessary to ensure the proper functioning and operation of the oversight body.”⁹²

90. Several different articles on internal and external monitoring of party finances could be simplified and grouped together in one single chapter. In particular, Draft Articles 15, 17 and 19 could be included in Chapter IV with a new title such as “supervision”, “monitoring” or “oversight” instead of “responsible structures”.

⁹⁰ See the comments made above in relation to Chapter III on “Reporting from political parties”.

⁹¹ See the recommendation concerning such cooperation made above, in the section “Reporting from political parties”.

⁹² Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 268.

5. CHAPTER V: MATERIAL SUPPORT FROM THE STATE

91. Draft Article 20 regulates measures by the State to facilitate the activities of political parties.⁹³ Under paragraph 1,

“The facilitation of the activities of political parties includes the following:

- a) political parties shall have the right to use public mass media free of charge for elections or referendums, in accordance with the Electoral Code;
- b) parliamentary political parties shall be provided, free of charge, with premises for their central headquarters and local offices, in suitable and publicly accessible locations, in proximity to the buildings of central or local institutions; this right shall also be enjoyed by any political party whose average share of votes in the last three parliamentary elections has exceeded 1 per cent nationwide;
- c) where a political party has been provided with premises under a loan-for-use agreement pursuant to this law, but does not meet the conditions set out in letter “b” of this paragraph, it shall be entitled to conclude a lease agreement for the premises, to be used solely for its headquarters or local offices. More detailed rules shall be laid down by decision of the Council of Ministers, upon the proposal of the Minister responsible for state property.”

These provisions are similar to the current ones under Articles 22 and 22/1 of the Law on Political Parties⁹⁴ which are intended to be replaced by Draft Article 20. However, the Venice

⁹³ Draft Article 20 – Facilitating measures:

“1. The State shall facilitate the activities of political parties. The facilitation of the activities of political parties includes the following:

- a) political parties shall have the right to use public mass media free of charge for elections or referendums, in accordance with the Electoral Code;
- b) parliamentary political parties shall be provided, free of charge, with premises for their central headquarters and local offices, in suitable and publicly accessible locations, in proximity to the buildings of central or local institutions; This right shall also be enjoyed by any political party whose average share of votes in the last three parliamentary elections has exceeded 1 per cent nationwide;
- c) where a political party has been provided with premises under a loan-for-use agreement pursuant to this law, but does not meet the conditions set out in letter “b” of this paragraph, it shall be entitled to conclude a lease agreement for the premises, to be used solely for its headquarters or local offices. More detailed rules shall be laid down by decision of the Council of Ministers, upon the proposal of the Minister responsible for state property.

2. A request for the provision of offices, pursuant to paragraph 1(b) of this Article, shall be submitted to the Minister responsible for state property administered by the central government, and to the mayor in respect of property owned or used by local government, who shall take all necessary measures to provide the parliamentary party with premises.

3. Where vacant office space is available in buildings, as the case may be, the Minister responsible for state property or the mayor shall conclude a loan-for-use agreement with the political party referred to in paragraph 1 of this Article, in accordance with the Civil Code.

4. Where no vacant office space is available in buildings, the State shall assume responsibility for paying the rent for the central headquarters and local offices of the political party. The payment of rent under this Article shall continue for as long as the political party meets the conditions set out in paragraph 1 of this Article.

5. More detailed rules on the types of documents, the administrative procedure for examining the request, the method of payment, the number of premises for local offices, and the maximum rent limits to be covered by the State shall be laid down by decision of the Council of Ministers, upon the proposal of the Minister of Justice and the Minister of Finance.”

⁹⁴ See the Law on Political Parties, Article 22:

“The state facilitates the activity of political parties. State facilitation of the activity of political parties includes the following areas:

- a) Parties have the right to use mass public information media free of charge in the event of electoral campaigns and referendums.
- b) parliamentary parties are provided with a building for their headquarters and local offices. This right also applies to political parties whose average vote share in the last three parliamentary elections has been over 1 percent nationwide.
- c) if the political party has been provided with a building under a lease agreement, according to this law, but does not meet the conditions provided for in letter “b” of this article, then it has the right to conclude a lease agreement for the building, to use it only for its headquarters or local offices. More detailed rules are determined by decision of the Council of Ministers, upon the proposal of the Minister of Interior.

Article 22/1:

Commission and DGI are of the opinion that they should be amended to ensure that access to public mass media and to premises is granted to different political parties in an equitable manner.

92. Of note, under Draft Article 20(2), "a request for the provision of offices, pursuant to paragraph 1(b) of this Article, shall be submitted to the Minister responsible for state property administered by the central government, and to the mayor in respect of property owned or used by local government, who shall take all necessary measures to provide the parliamentary party with premises." The authorities may wish to consider whether it would be more appropriate, in the case of parliamentary parties, to assign the competence for allocating premises to Parliament instead of the executive. Moreover, the Venice Commission and DGI recommend determining the criteria for this allocation in the Draft Law; those criteria should be precise and be based on the results of the most recent general elections.

93. In the view of the Venice Commission and DGI, it would be more convincing to group this chapter (which consists of one single article) together with the provisions on the Public Fund for the support of political parties (Chapter II, Article 11).

1. The request for the provision of a building, according to letter "b" of Article 22, is submitted to the Minister of Interior, for state properties, under the administration of the central government, and to the mayor, for properties owned or used by the local government, who shall take all necessary measures to provide the parliamentary party with a building.

2. When vacant buildings are found, as the case may be, the Minister of Interior or the mayor of the municipality shall conclude a lease agreement, in accordance with the Civil Code, with the political party that has the right to the building, in accordance with letter "b" of Article 22. When no vacant buildings are found, the state shall assume the payment of the rent of the central headquarters and local offices of the political party. The lease agreement or payment of rent, in accordance with this Article, for political parties shall last as long as the political party meets the conditions provided for in letter "b" of Article

3. More detailed rules on the type of documents, the administrative procedure for reviewing the request, the method of payment, the number of buildings for local offices and the maximum rent limits shall be determined by the Council of Ministers, upon the proposal of the Minister of Justice and the Minister of Finance."

6. CHAPTER VI: ADMINISTRATIVE SANCTIONS

94. Draft Article 21 includes a longer and more precise list of administrative offences⁹⁵ than the current Article 23/4 of the Law on Political Parties,⁹⁶ and in many cases the fines prescribed for such offences are higher.⁹⁷ The draft also makes it clear that fines are imposed by the CEC,⁹⁸ it sets out the principles for the calculation of the amounts of fines,⁹⁹ it introduces new

⁹⁵ Draft Article 21 – Administrative measures:

“1. Any violation of the provisions of this law which does not constitute a criminal offence shall constitute an administrative contravention and shall be punishable by a fine, as follows:

a) failure by a political party to maintain the register of financial and material income required under Article 9(1), by a fine of from 100,000 to 300,000 lek;

b) breach of the obligation set out in Article 10(1)(a) by an Albanian citizen, by a fine of from 50,000 to 100,000 lek;

c) breach of the obligation set out in Article 10(1)(b) by a natural person registered under tax legislation, by a fine of from 100,000 to 200,000 lek;

ç) breach of the obligation set out in Article 10(1)(c) by a legal person, by a fine of from 250,000 to 400,000 lek;

d) breach by a political party of the obligation under Article 17(4) to cooperate with the licensed accounting expert appointed by the CEC, by a fine of from 800,000 to 1,500,000 lek;

dh) failure to submit the financial report within the prescribed time limit, or submission of the report otherwise than in the standardized formats approved by the CEC, by a fine of from 100,000 to 300,000 lek;

e) breach of the obligation under Article 18 concerning the publication of data by a political party represented in the Assembly, by a fine of from 100,000 to 300,000 lek; in the event of a repeated breach, the amount of the fine shall be doubled;

ë) refusal to ensure transparency of the sources of financing of a political party, or to permit the exercise of control by the licensed accounting expert or by the CEC, by a fine of from 2,000,000 to 5,000,000 lek; in addition, suspension of public funding to the political party for a period of up to five years may be imposed;.

f) breach of Article 9(5), where non-public funds in an amount exceeding 50,000 lek are accepted and the transaction has not been carried out through a bank account, by a fine amounting to 30 per cent of the donated amount;

g) breach of the provisions on the financing of political parties by the person responsible for the finances of the political party, by a fine of from 100,000 to 300,000 lek;

gj) acceptance by a political party of in-kind donations without signing the declaration of contribution required under Article 9(2) of this law, by a fine amounting to 50 per cent of the market value of the in-kind donation;

h) breach of Article 5 through the exercise of any form of pressure with respect to the making of, or obstruction of, donations to a political party, or through the making of promises of favourable treatment in exchange for financial or material support to a political party, shall, in addition to criminal prosecution, be punishable by a fine of from 500,000 to 1,000,000 lek.

2. Any non-public funds received by a political party shall accrue to the CEC where the identity of the donor is unknown or not clearly established.

3. Irrespective of any fine imposed, a political party which fails, for two consecutive years, to submit the Annual Financing Report in the manner and within the time limit prescribed by this law shall be barred from participating in the next elections and in any subsequent elections.

4. Fines shall be imposed by the CEC.”

⁹⁶ See Article 23/4 of the Law on Political Parties:

“1. Violation of the provisions on the financing of political parties by the person responsible for finances in a political party or the person responsible according to its statute is punishable by a fine of 50,000 to 100,000 lek.

2. Violation of the obligation to cooperate with the licensed accounting expert, appointed by the Central Election Commission, by a political party is punishable by a fine of 1,000,000 to 2,000,000 lekë.

3. Refusal to make the sources of financing of a political party transparent or to allow the exercise of control by a licensed accounting expert or the Central Election Commission is punishable by a fine of 2,000,000 to 5,000,000 lekë or/and by the suspension of public financing for the political party for up to 5 years.

4. Violation of the deadline for submitting the financial report in a timely manner or submission of reports in violation of standardized formats, approved by the Central Election Commission, is punishable by a fine of 50,000 to 100,000 lek.

5. Non-public funds received by a political party, when the identity of the donor is not known or is not clearly defined, shall be transferred to the account of the Central Election Commission.

6. Accepting non-public funds, with a value greater than 100 thousand lekë and when the transaction is not carried out through a bank account, is punishable by a fine of 30 percent of the donated amount.”

⁹⁷ For example, under Draft Article 21(1) item g), breach of the provisions on the financing of political parties by the person responsible for the finances of the political party is punishable by a fine of 100,000 to 300,000 ALL (ca. 1,050 to 3,150€); under the current Article 23/4 of the Law on Political Parties, such offences are punishable by a fine of 50,000 to 100,000 ALL (ca. 525 to 1,050€).

⁹⁸ Draft Article 21(4).

⁹⁹ Draft Article 22 – Principles for the imposition of fines:

“The amount of the fine shall be determined having regard to the following circumstances:

provisions on appeal possibilities and enforcement of the fines,¹⁰⁰ as well as a new provision in paragraph 3, according to which “irrespective of any fine imposed, a party which fails, for two consecutive years, to submit the Annual Financing Report within the time limit prescribed by this law shall be barred from participating in the next elections and in any subsequent elections.”

95. The Venice Commission and DGI find most of the amendments positive, as they provide for more precise regulations and have the potential of being more effective than the current legislation; that said, the latter provision, which bars political parties who did not submit twice their annual reports in time, from any future elections, appear disproportionate. Sanctions for political finance regulations must not only be effective and dissuasive but also proportionate to the specific violation.¹⁰¹ The Venice Commission and DGI recommend clearly limiting this sanction in time and providing for the possibility not to impose this sanction in certain situations, e.g. in cases where the annual report is only submitted with short delay. Exclusion from elections should remain a measure of last resort (*ultima ratio*), accompanied by robust procedural safeguards and effective judicial review, including, where appropriate, the possibility of temporarily suspending the execution of the relevant decision pending judicial determination.

96. On the other hand, the Venice Commission and DGI note that some interlocutors in Tirana argued that the fines available under Draft Article 21 were (still) too low. For example, a legal person making high donations exceeding significantly the ceiling established in Draft Article 10(1c) (i.e. ca. 10,500€) would only be punishable by a fine of up to ca. 4,200€. The Venice Commission and DGI recommend reconsidering the level of fines available in order to ensure a dissuasive sanctions regime.

97. Furthermore, the Venice Commission and DGI note that Draft Article 21 does not refer to several provisions of the Draft Law which contain important prohibitions or obligations, such as Draft Article 7 on prohibited funding sources.¹⁰² It must be concluded that the violation of such provisions could not be enforced, which would lead to serious loopholes.¹⁰³ The Venice Commission and DGI recommend closing these gaps with a more complete and precise list of administrative offences. In addition, it should be more clearly regulated for which offences the person responsible for finances of a party on the one hand, and the political party as such on the other hand, are accountable and subject to fines. Moreover, the law should provide a broader range of different sanctions in order to ensure that they are effective, proportionate and dissuasive.¹⁰⁴ The law should include not only fines, but also return or transfer of illegal donations, recovery of misused public funds, suspension or reduction of public funding where

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- a) the degree of risk posed by the violation committed;
 - b) the duration of, and the scope of actions leading to, the commission of the violation;
 - c) whether there were any attempts by the political party to conceal the violation;
 - ç) the actions taken by the political party after the violation was discovered;
 - d) whether the violation has been repeated;
 - dh) whether the violation was committed in cooperation with others.”

¹⁰⁰ Draft Article 23 – Appeal against the decision and enforcement of the fine:

“1. A political party on which a fine has been imposed may appeal the decision imposing the fine before the competent court, in accordance with the legislation in force.

2. The enforcement of fines imposed under this law shall be carried out in accordance with the legislation in force on administrative contraventions.

3. Fines shall be paid into the State Budget.”

¹⁰¹ See [Rec\(2003\)4](#), Article 16; Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 272ff.

¹⁰² Other provisions which are not referred to are Articles 4, 6, 8(1), 9(3), 9(4), 9(6), 10(2), 12, 15.

¹⁰³ Even though Draft Article 21(1) states that “any violation of the provisions of this law which does not constitute a criminal offence shall constitute an administrative contravention and shall be punishable by a fine”, it goes on and states “as follows”, with an – apparently exclusive – list of offences.

¹⁰⁴ Cf. Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, paras 273f.

appropriate, correction orders, publication of violations and liability of responsible persons for serious or intentional breaches. The scale of fines should allow the authorities to take account of the size of the party and the value of the unlawful transaction. Moreover, it would be advisable to explicitly determine in the law the competent court for appeal against CEC decisions, and the applicable statute of limitations.

98. The Venice Commission and DGI also see a need for clarification regarding the relationship between administrative and criminal offences. Draft Article 21(1) states that “violations of the provisions of this law which do not constitute a criminal offence shall constitute an administrative contravention”. To have a comprehensive understanding of the sanctions that may be imposed, it would be advisable to clarify which violations of the law may be considered criminal offences; the legal framework should therefore clearly specify the circumstances under which a violation triggers criminal proceedings and how the relationship between administrative and criminal sanctions is to be managed in practice.

99. Finally, there appears to be a potential inconsistency between Draft Article 9(6), which requires anonymous donations to be transferred to the State Budget, and Draft Article 21(2), which appears to direct such funds to the CEC. Furthermore, allocating such funds to the CEC rather than to the State Treasury or another dedicated public fund could create inappropriate financial incentives and potentially undermine perceptions of the regulator’s independence.

7. CHAPTER VII: FINAL PROVISIONS

100. One of the innovations of the Draft Law is the introduction of financial reporting by political parties through an electronic platform under Draft Article 24.¹⁰⁵ According to paragraph 1 of this article, “through the electronic platform, the CEC shall ensure the real-time disclosure of every income transaction received by a political party. Once the real-time disclosure of income is carried out through the electronic platform, the political party’s obligation to report to the CEC and to publish such information on its website shall cease to apply.” Paragraph 3 states that “for the implementation of the obligations laid down in this Article, the CEC shall adopt the necessary secondary legislation.” The Council of Ministers decision of 6 May 2026 establishing the State Database for the Electronic Financial Reporting Platform (PERF) further identifies categories of primary data, including annual financial reports, campaign reports, sources of funding, expenses, donations, loans, audit reports and CEC decisions, as well as secondary data from the tax and civil status databases for identification purposes.

101. In the opinion of the Venice Commission and DGI, the electronic platform is a major positive development. If properly designed, it can reduce delays, improve standardisation, enable public scrutiny and facilitate risk-based oversight. However, the essential elements and safeguards in terms of data protection should be included in the law itself, not only in a database decision or CEC secondary acts.

102. Moreover, Draft Article 24(2) is problematic insofar as it provides that once real-time disclosure through the platform is carried out, the party’s obligation to report to the CEC and to publish information on its website shall cease to apply. The Venice Commission and DGI

¹⁰⁵ Draft Article 24 – Use of information technology:

“1. The CEC shall enable the financial reporting of political parties under this law to be submitted to the CEC through an electronic platform.

2. Through the electronic platform, the CEC shall ensure the real-time disclosure of every income transaction received by a political party. Once the real-time disclosure of income is carried out through the electronic platform, the political party’s obligation to report to the CEC and to publish such information on its website shall cease to apply.

3. For the implementation of the obligations laid down in this Article, the CEC shall adopt the necessary secondary legislation.

4. For the implementation of the obligations laid down in this law, the CEC shall be granted access to the databases of other institutions for information and data relating to the implementation of this law.”

recommend that this provision be reconsidered. A central platform may in time become the principal public access point but reporting and publication obligations should not cease automatically. The law should first ensure that the platform is fully operational, reliable, publicly accessible, searchable, archived and supported by continuity arrangements.

103. The platform should also distinguish between public data, data accessible only to oversight bodies, data subject to redaction or anonymisation, and protected personal data. Donor transparency is important, but it must be reconciled with data protection and, in some contexts, donor safety. Access to external databases should be limited by purpose limitation, necessity, proportionality, logging, security and retention rules. A data protection impact assessment would be appropriate before large-scale interconnection of databases.

8. Concluding remarks

104. Given the fact that the Draft Law only regulates regular party financing, whereas election campaign financing continues to be regulated in the Electoral Code, the Venice Commission and DGI wish to emphasise the need to ensure that the legal framework for political financing is fully consistent. As the Joint Guidelines put it, in order to ensure a transparent and fair financing system, and to avoid the possibility of circumventing relevant rules, both routine party funding and campaign finance must be addressed in legislation relevant to political parties and electoral campaigns in the same manner.¹⁰⁶ While the regulation in two different legal acts is not in itself contrary to European standards,¹⁰⁷ the rules must operate coherently and must not leave gaps at precisely the moment when political finance is most relevant to voters. Having different norms governing political financing, legal disputes may easily arise and lead to confusion, voters' mistrust and unequal application of the law, giving advantages to some political parties. It may also lead to difficulties for civil society to identify possible shortcomings in the party financing system.

105. In this connection, the Venice Commission and DGI note that the Ad Hoc Parliamentary Committee on Electoral Reform is tasked to prepare further reforms including amendments to the Electoral Code. They recommend using this reform to make sure that the rules concerning regular (routine) party financing and those governing election campaign financing are harmonised and do not contradict each other. While not all the rules need to be identical – as both laws regulate different aspects of political financing –, consistent transparency requirements, monitoring and sanctioning provisions should be included in both laws. For example, the prohibited funding sources,¹⁰⁸ the reporting on assets and liabilities and the archiving of financial information¹⁰⁹ should be regulated equally in the Draft Law and in the Electoral Code; moreover, the use of public resources by political parties should be explicitly and equally regulated and subject to sanctions.¹¹⁰ It is also important to clarify the supervisory role of the CEC regarding both the annual funding of political parties and campaign finances, particularly in terms of deadlines and decision-making.

106. As to the timing of the reforms, it is up to the Albanian legislature to decide whether or not these two sets of regulations should be prepared in parallel. Several interlocutors of the Commission and DGI argued for a parallel preparation. If amendments to campaign finance

¹⁰⁶ Venice Commission and OSCE/ODIHR, [CDL-AD\(2020\)032](#), Joint Guidelines on Political Party Regulation, Second Edition, para. 206.

¹⁰⁷ *Ibid.*, para. 206.

¹⁰⁸ See the lists of prohibited funding sources in Article 7 of the Draft Law and in Article 92/1 of the Electoral Code, which differ from each other.

¹⁰⁹ See the regulations on these matters in Article 92/3 of the Electoral Code, which are not reflected in the Draft Law.

¹¹⁰ The Electoral Code regulates this issue, but only for the election campaign, see Article 91.

regulations are planned,¹¹¹ the law on regular party financing should not be adopted in a manner that pre-empts or contradicts them. Conversely, delaying all reforms until a full electoral package is complete would leave weaknesses identified in the legal framework unaddressed for a period of time. In the opinion of the Venice Commission and DGI, in any case it needs to be ensured that the Draft Law contains transitional and cross-reference provisions making clear how it interacts with the Electoral Code, particularly in election years, for campaign-related spending, reporting deadlines, media and digital advertising, and sanctions.

V. Conclusion

107. At the request of the Speaker of the Parliament of the Republic of Albania, Mr Niko Peleshi, the Venice Commission jointly with the Directorate General Human Rights and Rule of Law (DGI) assessed the Draft Law “On the Financing of Political Parties”.

108. The Venice Commission and DGI appreciate that the Draft Law was submitted to them for consideration at a relatively early stage, before presenting it to the plenary assembly of Parliament, and that the draft has been prepared in an inclusive process, which involved majority and opposition parties and included public consultation and hearings with civil society organisations and other stakeholders. The Venice Commission and the DGI encourage the authorities to continue this constructive process and to conduct further meaningful consultations on a revised draft with all relevant stakeholders before the law is adopted, taking into account the comments of various national and international observers – including those in this Opinion.

109. The Venice Commission and DGI welcome the efforts undertaken by the Albanian authorities to consolidate and modernise the legal framework governing political party financing. From a formal perspective, the Draft Law is more detailed and structurally elaborate than the existing provisions of the Law on Political Parties. Substantively, the Draft Law pursues legitimate objectives linked to strengthening transparency, accountability and integrity in political financing and reflects several relevant international standards and prior recommendations issued by international bodies. Positive elements include enhanced reporting and disclosure obligations and use of an electronic platform, strengthened audit and oversight mechanisms, a more comprehensive framework concerning prohibited sources of financing, more detailed sanctions provisions, and the establishment of a dedicated institutional structure within the Central Election Commission. These and other elements, taken together, can improve public confidence and are clearly a step in the right direction. It must be stressed, however, that the effectiveness of the proposed legal framework will depend on its proper implementation in practice.

110. At the same time, the Venice Commission and DGI are of the opinion that the Draft Law would benefit from further amendments in order to achieve its stated objective and to address the gaps, weaknesses and challenges observed in the past. The present Opinion offers a number of specific recommendations which could help to create an even more comprehensive and precise legal framework for the financing of political parties. To meet the requirements of legal certainty, and foreseeability, some draft provisions should be further developed and clarified, and fewer questions – essentially only technical ones – should be left to secondary legislation. Moreover, the Venice Commission and DGI note that the Draft Law essentially addresses the direct financing of political parties. Yet modern risks of party financing often arise through indirect channels: entities affiliated with or controlled by parties, third-party

¹¹¹ During the interviews in Tirana, representatives of the Ad Hoc Parliamentary Committee on Electoral Reform stated that this had not yet been clearly decided but would appear reasonable, bearing in mind that several recommendations by international organisations concerned campaign financing rules, e.g. with respect to the frequency of reporting by electoral contestants and to campaigning by third parties.

actors, communication agencies, digital platforms, sponsored content, coordinated online activity, loans, debt forgiveness, in-kind services or public resources. While the Draft Law touches on some of these matters, in the view of the Venice Commission and DGI there is still room for improvement.

111. The present Draft Law only covers regular party financing, whereas election campaign financing is governed by the Electoral Code. The Venice Commission and DGI note that further reforms, including amendments to the Electoral Code, are under preparation. Some of the weaknesses of the Albanian system of political financing, which were identified in the past by the Albanian authorities and by international organisations, are related to election campaign financing and will therefore need to be addressed through amendments to the Electoral Code. It will be crucial to use the ongoing reform process to ensure that the legal framework for political financing is fully consistent and closes any remaining loopholes.

112. The Venice Commission and DGI wish to make the following key recommendations:

- A. Ensuring that the rules concerning regular party financing and election campaign financing are harmonised and do not contradict each other [paras 105-106];
- B. Providing more precise and more detailed regulations in the Draft Law, leaving only technical details to secondary legislation, and ensuring that implementing rules adopted by the Central Election Commission and the Council of Ministers are based on sufficiently precise, objective and foreseeable criteria [paras 31, 53-54, 62, 65, 70, 84, 89, 91-92, 101-103];
- C. Regulating more comprehensively hidden financing and indirect financing by third parties and entities affiliated to or controlled by political parties [para 31-34];
- D. Making it clear in the law that political parties' financial reports must include, on an itemised basis, all sources of income, expenditures, assets, liabilities, loans, debts, guarantees, in-kind contributions, below-market-value services, related-entity transactions, public support in kind, media and digital communication expenditure, and the gender and youth grant; and considering more frequent reporting obligations, particularly in election years [paras 70, 74];
- E. Strengthening the oversight of party financing, including by establishing clearly defined mechanisms for cooperation between the Central Election Commission and other State agencies, and ensuring that the Commission has a clear mandate, the authority and adequate resources to effectively and pro-actively supervise the funding of political parties and to investigate alleged infringements of political financing regulations; regulating in more detail the "structure responsible for the financing, monitoring, and control of political party financing" which is planned to be established within the Central Election Commission, including safeguards of independence of that structure; and strengthening the independence of the accounting experts which are tasked to audit parties' financial reports [paras 80, 82, 89];
- F. Revising the sanctioning provisions to ensure that sanctions are available for violations of all obligations and prohibitions under the Draft Law; providing a broader range of different sanctions to ensure that they are effective, proportionate and dissuasive; considering increasing the ranges of certain administrative fines; with respect to the measure of barring a party from participating in elections in case of certain violations of the law, making it clear that this mechanism only applies to serious cases, as a matter of last resort, after notice, opportunity to remedy and effective judicial review [paras 78, 95-97].

113. Further recommendations are contained in the Opinion.

114. The Venice Commission and DGI remain at the disposal of the Albanian authorities for further assistance in this matter.